

# NATION'S BUSINESS

*March*



*1926*

*In this issue—*

## North Dakota Returns to Sanity

*By WILLIAM S. NEAL*

## Our Century-Old Family Firms

*By MARK SULLIVAN*

## Let's Stop This "Fifty-Fifty" Business

*By Senator JAMES W. WADSWORTH*

## Straightening the Business Curve

*By A. L. HUMPHREY*

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The Manufacture of Men, by G. L. Gardiner  
Congress and Business—The Record, by Willard M. Kiplinger  
Some Heroes of Peace, by Philip H. Gadsden  
Where Are Mail-Order Houses Going? by Harry R. Wellman  
Dispelling Myths About Patents, by George H. Cushing

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Map of the Nation's Business on page 41



# Your \$5,000,000 plant project can be bought as confidently as a carload of steel



## *When Austin Guarantees the Contract*

**F**IRST—size up the job of preparing detailed plans and specifications for a \$5,000,000 plant building project.

Then—picture yourself getting together contractors and men and materials—mobilizing all at the proper time.

You will be ready then to make the right answer to this question:—

Why bother with all these details when Austin with a trained organization, operating with a background of 50 years industrial building experience, will design your plant complete, give you a guaranteed lump sum price; guarantee delivery

date, with bonus and penalty clause, if preferred; guarantee the quality of materials and workmanship; all under one contract.

Get the story on how Austin handles the big job. There's an Austin office close at hand.

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Detroit Birmingham Miami  
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Complete Building Service

THE AUSTIN COMPANY, Cleveland

We have a building project on the way and would like to have a copy of "The Austin Book of Buildings."

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Individual \_\_\_\_\_

Street \_\_\_\_\_

City \_\_\_\_\_

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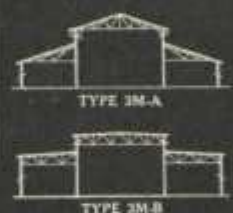
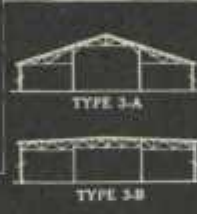
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# Your New Building will be **READY** when you Want it!



Truscon Service Includes  
Planning-Manufacture-  
Erection-One Contract  
No Extras



**W**HEN you solve your housing problem with a Truscon Permanent Steel Building you profit by many advantages. Truscon tells you definitely when your building will be completed and ready for occupancy. You know definitely what the total cost will be. You know the structure will be fitted exactly to your requirements—that it will be permanent and absolutely non-burning—and you know, too, that Truscon assumes entire responsibility for the complete plan, manufacture, shipment and erection.

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Use the coupon below to obtain complete information regarding Truscon Buildings now in daily use in your industry. Get ready now for the big opportunities of 1926. Your new building will quickly be earning dividends. Truscon Engineers are available at all times for free consultation, without obligation. Wire, write or phone.

**TRUSCON STEEL COMPANY, Youngstown, Ohio**

*Warehouses and Offices in All Principal Cities*

*Foreign Trade Division, New York*

*The Truscon Laboratories, Detroit, Michigan*

*Trussed Concrete Steel Co. of Canada, Ltd., Walkerville, Ont.*

**TRUSCON**  
*Ferrodeck*  
INSULATED &  
WATERPROOFED

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A light weight, non-burning, water-proof roof that cannot warp or shrink. Takes any degree of insulation. Built up quickly in any kind of weather. Low in cost on Truscon Buildings. Equally effective for Factories, Apartments, Schools, Hospitals, Stores and all buildings requiring light weight, straight-away roof deck.

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**PERMANENT**  
**BUILDINGS**

\*A complete line of Steel Buildings, Steel Windows, Metal Lath, Steel Joists, Steel Poles, Concrete Reinforcing for Buildings and Roads, Pressed Steel Specialties, Waterproofing & Technical Paints. Truscon maintains Engineering and Warehouse Organizations thruout the Country.

TRUSCON STEEL COMPANY  
Youngstown, Ohio, U. S. A.

Please send me classified catalog and information on a building to be used for

..... Type.....

Length..... Width..... Height.....

Name.....

Address.....

N. B. 3-26





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you can  
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with complete assurance of uniform quality

**T**HE Master Brand appearing on Sheet Steel certifies that the material so stamped has been made to the MASTER BRAND quality standards.

The Master Brand has been adopted by the Sheet Steel Trade Extension Committee after two years' study of a means to insure consistent quality. It assures to the public and to the fabricator of Sheet Steel products, dependable quality and service; it protects the manufacturer who provides a product having a recognized definite quality.

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Existing markets will be increased, new markets will be established. The progress will be built on the solid foundation of that economy and value which follows the use of quality.

A booklet "Sheet Steel Service to the Public" mailed on request.

**SHEET STEEL**  
TRADE EXTENSION COMMITTEE  
OLIVER BUILDING  
PITTSBURGH PENNSYLVANIA



# "The Circulars Did The Work"

From Chicago Daily News, Dec. 22nd, 1925:

The Late  
Mr. Frank A. Munsey  
World Famous Publisher



In 1891 he started Munsey's Weekly, hoping to get it under way before the Argosy went completely down. In a few months he put \$100,000 into the new venture, and still it lost. He changed it to Munsey's Magazine, at 25 cents a copy, but it would not sell. By 1893 he had two magazines, both losing money, and was more than \$100,000 in debt. In attempting to lower the price of his publications, he brought on trouble with the great news distributing company upon whom he was dependent for circulation. Determining to go over the head of the company, he sent out thousands of circulars direct to newsdealers all over the country, telling of his enlarged magazine at a lower price. The circulars did the work. The news company received orders by the basketful. They went to Mr. Munsey with an olive branch and met his terms. The first number of the new Munsey's Magazine reached 40,000 copies. Before it stopped the rapid climb it had passed the 100,000 point.

## How Munsey Turned Failure To Success



### 8 PROFITABLE USES

1. Selling
2. Recording
3. Shipping
4. Collecting
5. Disbursing
6. Routing
7. Addressing
8. Identifying

as  
Low as  
**\$37.50**  
C.O.D. Chgo.

909 W. Van Buren Street  
Chicago—U. S. A.

### Wrigley Mails Over 9 Million—

DURING the first 8 months alone of last year, Wm. Wrigley, Jr., Co., famous chewing gum manufacturers, Addressograph-ed over 9 million Direct Mail selling messages to their logical patrons.

### 75% of Appropriation for Direct Mail—

THE National Cash Register Co. spend 75% of their advertising appropriation for Direct Mail selling messages which are Addressograph-ed 15 times faster and without error.

### "Direct Mail Results 4 Times Higher"—

"FOR every dollar in Direct Mail, we are spending \$5 in publication advertising. However, results from our Addressograph-ed direct mail are from 3 to 4 times higher."

—Truscon Steel Co., Youngstown, Ohio.

Thousands of Smaller Firms Testify Likewise  
Coupon Brings Facts

**Addressograph**

Factories: Chicago-Brooklyn-London

MAIL  
WITH  
YOUR  
LETTER-  
HEAD TO

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Chicago.

- ☐ Send FREE booklet: "Does Your Advertising Pay?"
- ☐ Send FREE sample one-piece address plate and latest catalog.

☐ Send Prepaid FREE Trial Hand Machine. Will return Freight COLLECT unless we buy.

23-3-76

# Try it FREE - Then Decide



# Why protect against hazards, and not against certainties?

*An insurance policy that is worth looking into*



**FRICTION—**  
*The unseen destroyer  
of plant machinery*

**125** kinds of insurance are carried on industrial plants in the United States. They cover hazards, imminent and remote, which are encountered in production and distribution.

Fire — Accident — Liability — and many other hazards are covered by most companies.

Fire alone takes an enormous annual toll from property, but its aggregate losses are much less than the losses through depreciation.

Why protect against hazards and not against certainties?

The most important insurance which plant management can provide is the protection of equipment against the certainty of destructive deterioration.

Correct lubrication will reduce wear and tear. Often through correct lubrication the wear on machinery can be reduced until the only occasion for replacement is the

opportunity to install improved and more efficient equipment.

Correct lubrication is your protection policy. Correct lubrication means high quality oils—correct in body to meet the lubricating requirements of your machinery. Such correct oils can be prescribed only by men thoroughly familiar with lubrication practice and knowing the exact lubrication problem to be met in your plant.

It is widely acknowledged that the world's highest standard for reliability in lubrication has been established by the Vacuum Oil Company.

With the cooperation of your men we will gladly assume full responsibility for prescribing correct lubrication for your plant. On it depends minimum wear, fewer repairs, delayed replacements, fewer interruptions, smoother production flow and increased profits. We shall be glad to get in touch with you.

## Vacuum Oil Company

Headquarters: 61 BROADWAY, NEW YORK

Branches and distributing warehouses throughout the country

### A few cases in point—

FROM OUR FILES OF REPORTS OF PERFORMANCE RESULTS:

Recommendations of the Vacuum Oil Company have resulted in retarded depreciation in every industry. A few examples:

**FILE NO. 8105**—A steam engine in a silk mill, after 30 years' continuous operation, shows so little wear (.004 inch cylinder wear) that it runs like new. The average life of engines of this type is about 12 years.

**FILE NO. 9114**—In a municipal power plant, important working parts,

formerly replaced every 2 years, lasted for 10 years. Resulted in insuring the longer life of the machine as a whole.

**FILE NO. 3325**—At the end of 13 years' operation in a baking company the prime mover's cylinder walls show so little wear that the original tool marks are still visible.

All these reductions in depreciation were attended by faster production flow, directly affecting profits.



**Lubricating Oils**  
for  
**Plant Lubrication**

*When writing to VACUUM OIL COMPANY please mention Nation's business*





HERE'S the month's best letter. The writer is a woman—a business woman in the Middle West—and if any explanation were needed for our leading the magazine this month with the story of "North Dakota Returns to Sanity," it's right here. The writer signs herself "Ignoramus," but I am not sure but that she is a pretty good economist.

The constant cry for help, help, for the farmer, has caused the poor feminine mind of the writer to wonder greatly why that particular class has been singled out for so much sympathy and solicitude. As a child, and until late years, farmers and farms have been closely related to me and mine; and even the neediest I have known has never been in as dire need as many city workers and small business people. Many business men and women walk about smiling and with lined faces and graying hair, trying to stave off failure, people who never had enough capital or education—a people preyed upon by every form of advertising and publicity schemes that business seems to fall heir to—tickets to and for everything—asked by every third person to cut prices when the keen competition allows only the smallest margin. And the customer is always right!

Who wastes any sympathy on the business people? I haven't heard any of them cry for help, usually laying their failure to their own stupidity or lack of previous experience, and taking defeat bravely. Many of them at present are in a far worse predicament than the farmers. I have seen and known both, and a great many phases of life in a rather unusual and quite lengthy journey in this "vale of tears and joys." I certainly would like to see the farmers succeed, but the other fellow is in just as bad shape.

If the small business men will group themselves into a political unit, we'll undertake to have "friends of the people" introduce scores of bills annually for their relief, but that's as far as we can go—the "friends of the people" either for that matter.

NATION'S BUSINESS has lost a valued editorial associate. We hope our readers will not lose him as a contributor. Henry Schott has gone to the West Coast Lumbermen's Association and organized business gains what we lose. The west coast will get the enthusiasm, resourcefulness and idealism that he brought to NATION'S BUSINESS.

WHILE our "profession of purpose and faith" doesn't include the pleasant task of reuniting families, such an added blessing has come unto us more than once recently. Here is the latest from Mr. Frank L. Gaines of Indianapolis:

The name "F. S. Tisdale" appended as author to recent articles in NATION'S BUSINESS has aroused the happy suspicion that he may be a boyhood schoolmate of mine whom I have not seen or corresponded with for many years.

The Tisdale of barefoot days down in Union City, Tennessee, was known to his familiars by his middle name "Simmons," and was the envy of all of us because of his artistic genius. In fact, he was the Mike Angelo of our schoolroom,

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### NATION'S BUSINESS

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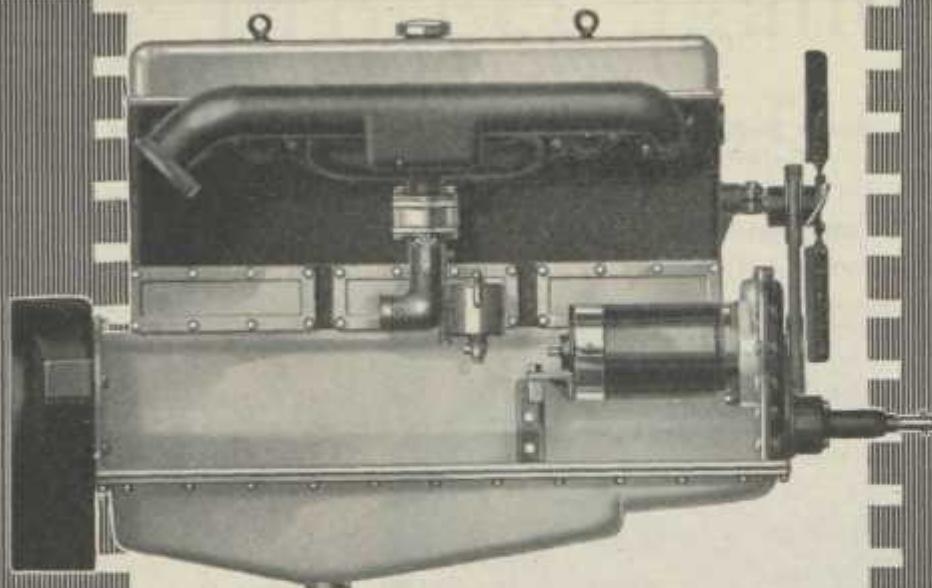
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SUBSCRIPTION RATES: Three years for \$7.50; one year for \$3.00; single copies, 35 cents each.  
BUSINESS ARTICLES, short or long, desired. Correspondence commending or criticizing articles in this issue invited. Suggestions for future articles welcomed. Permission to reprint articles will be granted on request, or reprints may be obtained in any quantity at cost.  
As the official magazine of the National Chamber, this publication carries authoritative notices and articles in regard to the activities of the Chamber; but in all other respects the Chamber can not be responsible for the contents thereof or for the opinions of writers to which expression is given.

No. 3





## More Power Per Cubic Inch Means

- per Gallon of Gas
- per Quart of Oil
- per Service Dollar

**Y**OU can count on any Wisconsin motor for this extra "dividend" of power. It is built into every one of these great overhead-valve Sixes and Fours. And it endures far past the life of ordinary engines.

Little by little, year after year, Wisconsin has refined and developed these motors until their performances, staying qualities and economy are outstanding.

In the bus field, particularly, Wisconsin's consistent extra power is important. For here an extra mile or two per gallon can turn loss into profits. Write for the facts and figures.

Wisconsin motors are made in a full line of Sixes and Fours, with power range from 20 to 120 H.P.

**WISCONSIN MOTOR MFG. COMPANY**  
MILWAUKEE  
WISCONSIN

*Wisconsin*  
CONSISTENT

*When writing to WISCONSIN MOTOR MFG. COMPANY please mention Nation's Business*

and was often commissioned by the teacher to decorate the blackboard walls with gorgeous drawings done in colored chalks. But, unlike Mike, whose talents were devoted to painting cherubs, angels, biblical characters and dyspeptic saints, Simmons' virile pencil found its happiest inspiration in depicting scenes of martial glory. I recall that many times all four sides of his slate, which should have been filled with mathematical computations, were adorned with thrilling pictures of cowboys and Indians engaged in desperate and gory combat, or a handful of gallant Confederates chasing a regiment of fleeing Yankees over a precipice.

Mr. Tisdale, who is known to our readers as one-time managing editor and recently as our New York City editorial representative, is doubtless at this time "chewing the fat" of the "good old days" with his newly found Indianapolis crony.

**AND JARED VAN WAGENEN**, who wrote the article entitled, "I'm a Farmer; Don't Pity Me," in a recent number, had a similar experience from his article. He found through it an unknown fourth cousin, a Van Wagenen, in Charlottesville, Va. He also had this letter from the Commissioner of Farms and Markets of New York State:

I feel an impulse to write you, expressing commendation of the philosophy expounded in your article in a recent issue of *NATION'S BUSINESS*. Probably the reason that I feel this way is that your views, as expressed, are in harmony with my own. Your comments on cooperative enterprising will probably be viewed in some quarters as heretical, but heretics have been known to be right.

This came to him from the Director of Information of the Department of Agriculture at Washington:

May I express my pleasure in your article in a recent number of *NATION'S BUSINESS*? It seems to me to have both sound substance and felicity of expression.

It is not often that one finds in a business magazine, or indeed any other kind of magazine, that intangible spirit which suggests ripe and confident culture, and I am happy to note this in your article.

**A BOY** on a war-wrecked farm in a broken-down community and poverty-stricken southern state in 1865. That was J. B. Duke's lot in what are called the formative years. Those hopeless surroundings evidently did not keep Duke from using his brains. With flails he granulated the tobacco he and his brothers grew on their farm and then peddled it through the country from a wagon.

Fifty years and North Carolina is a leader among the progressive wide-awake states of the Union, and in every movement for its advancement that farm boy's brains and money had a part. His native state was good enough for him when it was "down and out," and he was good enough for his state when it reached the first ranks.

About eighty million dollars to a North Carolina university—a magnificent gift in these days of benefactions. Yet it is a question whether the millions he put behind the development of the state's water powers will not bring even greater good to the people. Who can gauge the effect of this one American business man's achievements? His accumulation and disposition of the millions is only the first chapter in that story.

And does not his life finely express the spirit and genius of America, where a farm boy can reach the top round of industrial success—together with its corollary that a business man can learn the Gospel of Goods

**MORE  
POWER**







"Quality leaves  
its imprint"



## When Big Doors

## Become Merely a Name

Equipped with *Slidetite* Industrial Door Hardware, they are only "big" in size—otherwise they work with the ease of the lightest door. The doors slide and fold with perfect smoothness to either side, leaving the doorway unobstructed. Most practical in any opening up to thirty feet in width and high as wanted. There's no hesitation, no jamming. So balanced is the support that doors will not sag, nor will they slam. And they close snug and tight. No finer convenience or one so trouble-free was ever installed in an industrial plant.

### Have You Any Problem?

Whether equipping "big doorways," barn, house, fire, garage or elevator doorways, if you are uncertain just what to do or how best to do it, write R-W Engineering Department. It gives this service without obligation. Your problems will be solved for you in the best

possible way. The R-W trademark is a symbol of good service as well as good products. There are branches in all important centers—one near you—that lend an intelligent, helpful cooperation. Get in touch with one or write the Factory Engineering Department.

# Richards-Wilcox Mfg. Co.

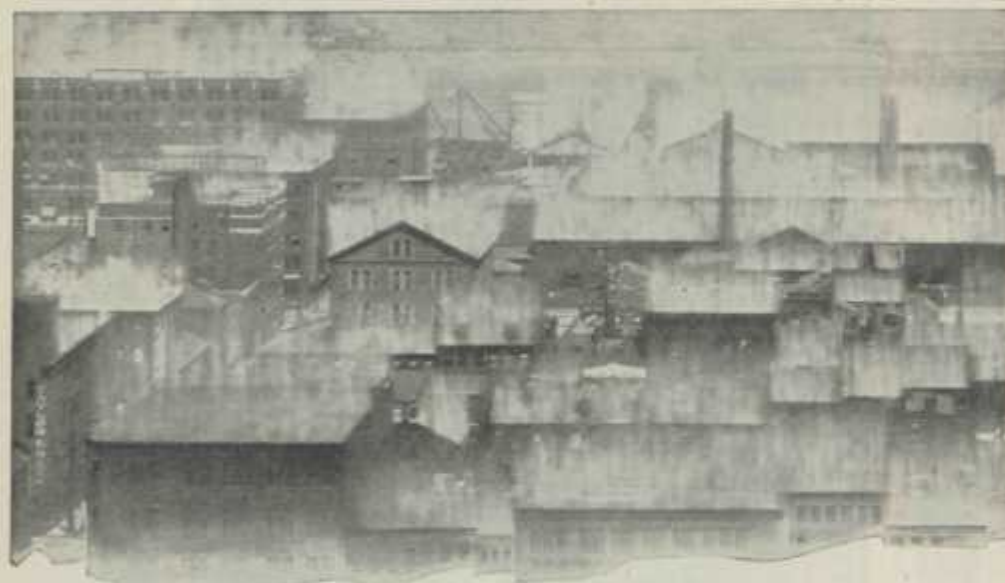
**"A Hanger for any Door that Slides."**

AURORA, ILLINOIS, U.S.A.

New York Boston Philadelphia Cleveland Cincinnati Indianapolis St. Louis New Orleans  
Chicago Minneapolis Kansas City Los Angeles San Francisco Omaha Seattle Detroit  
Montreal • RICHARDS-WILCOX CANADIAN CO., LTD., LONDON, ONT. • Winnipeg



## EVERY ROOF NEEDS INSULATION



## If Heat Were Visible!

**I**F heat were visible and you could see it going to waste, you would insulate your roofs. Heat-leaking roofs are costly. They mean cold rooms in winter, hot rooms in summer; sweating ceilings where humidity is high, and needless waste of heating fuel.

The most effective and practical remedy is to insulate roofs with Armstrong's Corkboard. The corkboard is laid on top of the roof deck in asphalt or pitch and a standard roofing is applied directly over the cork. In this way any roof can be made virtually *heat-tight*. Top floors and single-story buildings will be warmer in winter (with considerably less fuel) and cooler in summer. Temperatures will be more easily regulated.

Armstrong's Corkboard can be laid on any kind of roof, old or new, flat or sloping, wood, concrete, or tile. It is so light that the additional weight is negligible. Any required thickness can be laid in a single layer at minimum labor cost. Armstrong's Corkboard makes a firm, substantial base for the roofing and will not buckle, warp or shrink. It is nonabsorbent of moisture and a positive fire retardant.

A new book, "The Insulation of Roofs with Armstrong's Corkboard," has just been published which contains full information. Write for a copy and a sample of Armstrong's Corkboard. If desired, our Engineering Department will gladly consult with those interested in securing comfort and economy with cork insulated roofs. Address Armstrong Cork & Insulation Company (Division of Armstrong Cork Company), 195 Twenty-fourth Street, Pittsburgh, Pa. In Canada, McGill Building, Montreal, Quebec. In London, Armstrong Cork Company, Limited, Sardinia House, Kingsway, W. C. 2.

Branches in the Principal Cities

# Armstrong's Corkboard Insulation

for the Roofs of All Kinds of Buildings

When writing to ARMSTRONG CORK & INSULATION COMPANY please mention Nation's Business

and return his tokens to the people whom he thus twice serves?

**M**ANY morals could be drawn from the action of Vickers, Limited, as set forth on the editorial page this month. The stockholders of this corporation met and said in effect:

Why fool ourselves with thinking this common stock is worth \$5 a share? It is worth one-third of that.

So they reduced the common stock from \$5.00 to \$1.66.

Which recalls the story which Carl Gray, president of the Union Pacific, told me recently. Two dummies were reading the inscriptions on tombstones in a cemetery. One of them let out a raucous "Haw! Haw!" and when the other came up he pointed to the inscription on the tombstone, which read:

NOT  
DEAD  
BUT  
SLEEPING

"Haw! Haw!" laughed the dummy. "He ain't foolin' nobody but hisself."

**O**UR ARTICLES on house-to-house selling continue to bring interesting comment. Jack Moore, secretary of the Akron Merchants' Association, sends a copy of a bulletin issued by his organization which takes a sound point of view. He says that the only way to meet the competition of the door-to-door canvasser is to do a better job of selling—better goods, better prices, better service. As to legislation or advertising campaigns urging women not to admit the peddlers, he says:

"In our opinion both methods are wrong. There is absolutely nothing illegal in house-to-house canvassing carried on in a legitimate manner. By having all this legislation passed the retailer is only giving the 'peddler' additional thunder for his selling argument."

**A**FTER a careful investigation through a "term" of from one to three years, readers in renewing this month have "sentenced" us as follows:

Am much in love with NATION'S BUSINESS, which treats each subject in an impartial, dignified and businesslike manner.—A. T. KINGSBURY, AKRON, OHIO.

We find NATION'S BUSINESS of great interest and frequently quote from it.—THOMAS R. UNDERWOOD, MANAGING EDITOR, THE LEXINGTON HERALD, LEXINGTON, KENTUCKY.

Your fine magazine.—PAUL I. DEFFEN, YORK, PENNSYLVANIA.

Excellent work done by NATION'S BUSINESS.—GEO. E. RICE, CONSERVATION CO. OF AMERICA, NEW YORK.

Am well pleased with your magazine.—M. L. ANDERSON, KANSAS CITY, MISSOURI.

Your publication well worth the investment.—G. R. ANDERSON, PONCA CITY, OKLAHOMA.

Mr. Rivolta is not living but herewith check as I wish to continue NATION'S BUSINESS.—MRS. M. F. RIVOLTA, INGRAM, PENN.

Your articles are daily topics of conversation among those interested in business.—GEO. A. SHERWOOD, PACKARD BRIDGEPORT MOTORS, INC., BRIDGEPORT, CONN.



Armstrong's Corkboard is made of pure cork in boards 12 inches by 36 inches—from 1 inch to 6 inches thick.



Reg. U. S. Pat. Off.



Not only interesting but instructive.—FRANK E. WATSON, HAVERHILL, MASS.

A most valuable publication and only wonder how it can be produced for the price.—H. GILMAN FISHER, WILLIAM H. McMAHEN CO., PHILADELPHIA.

No literature more entertaining or instructive.—CHARLES W. LYMAN, TOPEKA, KANSAS.

I am proud of NATION'S BUSINESS.—J. A. GETTIG, NORTH BRADDOCK, PA.

Herewith \$7.50 to renew when my present subscription expires next September; NATION'S BUSINESS is the last publication I would think of dropping.—W. H. BEACON, PRESIDENT, BEACON BUSINESS COLLEGES, WILMINGTON, DEL.

Your excellent magazine is read with interest and benefit, both in office and home.—H. R. FITZGERALD, PRESIDENT, RIVERSIDE AND DAN RIVER COTTON MILLS, INC., DANVILLE, VIRGINIA.

Continue NATION'S BUSINESS—it is fine.—E. H. WILSON, KNOXVILLE SAVINGS & LOAN BANK, KNOXVILLE, TENN.

We get much valuable material and many helpful ideas from NATION'S BUSINESS.—FLOYD H. MASON, ROCHESTER GAS & ELECTRIC CORP., ROCHESTER, NEW YORK.

No equal in its field.—G. L. GARDNER, OVERLAND MOTOR CAR CO., PONTIAC, MICHIGAN.

WE LEFT out this month nearly three pages of advertising. It was physically impossible to get them in and keep faith with our readers in carrying on our editorial plan. We hated to do it, just as any business house hates to decline business. And yet, like a factory, we know when we turn down orders that we are going ahead. That pleasant thought partly balances our regrets.

Dowagiac, Mich.

EDITOR, NATION'S BUSINESS:

My calling requires me to speak at business men's association meetings, usually at luncheons or dinners. I am paid to do it and enjoy it at least as much as my audiences do. It gives me a living and I want to go on with it, but I shall have to look for a new kind of job unless some powerful influence can be summoned to prohibit serving *filet mignon* at public luncheons and dinners. I gladly do without food at these affairs, but that is the least of it. The fact is that two or three hours before the time set for the meeting I begin to be seized with a depression, bordering on melancholia, caused by the thought that before the day is over a waiter will be passing a plate centered with *filet mignon* over my left shoulder, slip it on the table right before my eyes and then softly slither away.

It is slowly and steadily destroying my usefulness.

My brother-in-law, until recently meat cook in a prominent hotel in Pawhuska, Okla., says the *filet mignon* problem will disappear only when public dinners are so organized that the kitchen can know definitely within a hundred how many guests are going to be at tables arranged for a hundred and fifty. As he explains it, the *filet mignon* comes in lengths and in modern hotel practice is fed across a broiler by means of a time-recording and measuring device that can be set for eighteen or a hundred and eighty guests. The man taking up the green tickets at the door reports the number at 10-second intervals. No other cut of meat, my brother-in-law says, with the possible exception of tripe, so readily lends itself to quick and economical service at a public luncheon or dinner. As a chef he says tripe is out of question—would not be tolerated unless completely disguised, which could only mean more complexities.

My idea is to have the Government create a commission, or a board or bureau with headquarters in Washington to go into the matter from every angle. Its report or findings could be used by Congress in case a law should be deemed necessary. It should be composed of practical, experienced men, say one hotel manager, a packer, a secretary of civic organization,



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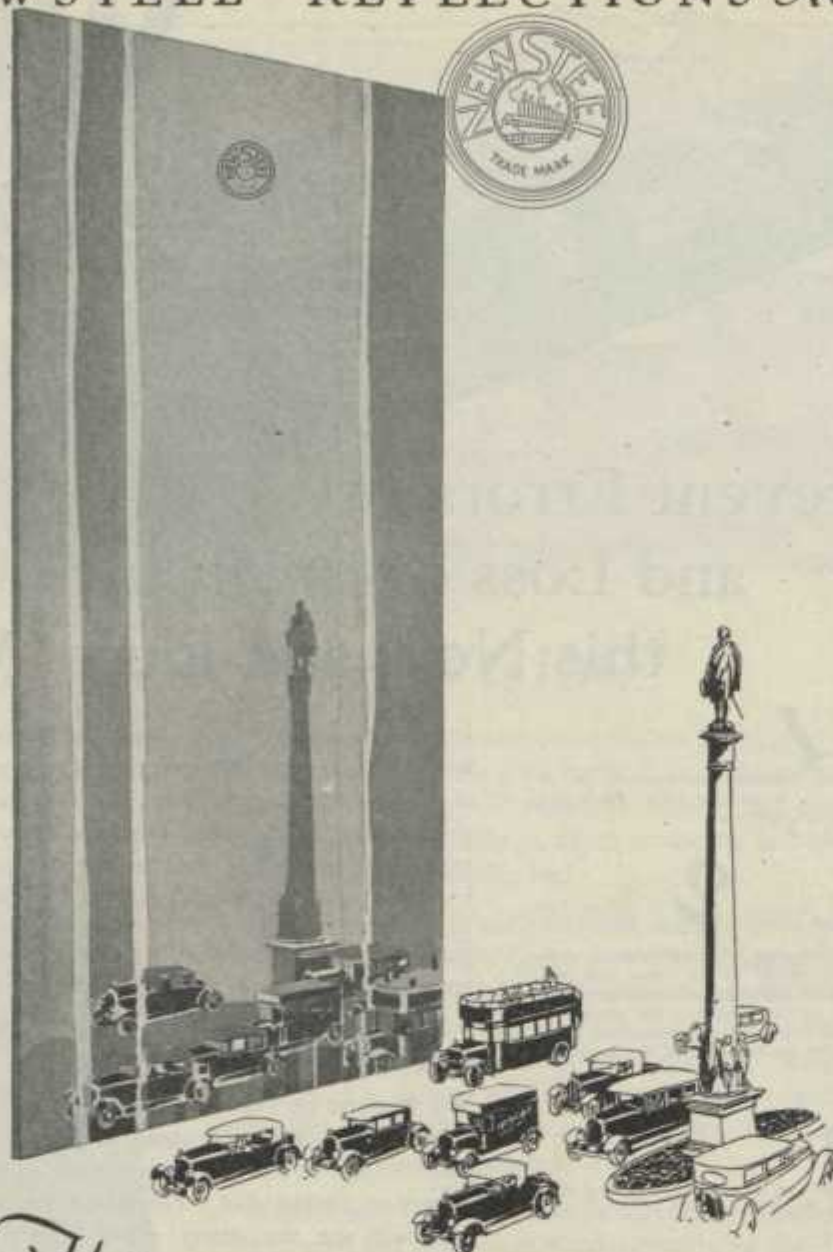
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**VOX POPULI**

Courage, brother. We'll help. To start with, we'll refer the matter to proper federal agencies; the Hygienic Laboratory of the Public Health Service, the Bureau of Chemistry, the Bureau of Biological Survey, the Bureau of Home Economics, the Packers and Stockyards Administration, all of the Department of Agriculture; also its broader aspects should be considered by the Bureau of Foreign and Domestic Commerce of the Department of Commerce; its labor phases by the Bureau of Labor Statistics of the Department of Labor; its question of unfair competition with, say, chicken croquettes to the Federal Trade Commission; its legal tangles—and we discern many—to the Attorney General of the United States. Of course, it is *prima facie* a matter for the Interior Department.

A report of progress will appear from time to time in this column, and we shall be happy for any suggestions from our interested readers.

**A** LETTER drops on my desk from a man who says he has been reading NATION'S BUSINESS for six years, and who exclaims in a postscript:

Don't give us so much World Court and Tariff Commission; what we are interested in is where to park our cars, and where to get a drink.

We furnished information on parking the car the other month, but as to the other—well, we always welcome contributions.

**A** GOOD letter which gives us pause comes today from the Reverend Robert von Thurn, pastor of the First Presbyterian Church of Anadarko, Oklahoma. He says:

Permit me to state, as a pastor, how valuable your publication is in keeping posted on some of the deeper aspects of our national life than the newspapers can give. Also, I find the portrayal of international affairs very fine; and it is all given in a concise and graphic manner. You are rendering a greater service to the pastors of the United States than you realize.

**G**OVERNOR McMULLEN, of Nebraska, qualifies for membership in our Fewer Laws Club by this story:

A New Yorker paid his old home town in the middle west a visit. He learned there was to be a church sociable. His mind immediately recalled sociables he had attended twenty years ago—the women lined up on one side of the church discussing the canning of fruits, putting up of preserves, the men lined up on the other side talking politics, who would be elected, what legislation was needed.

The homemaker was seized with a desire to attend this sociable and see if it was as it used to be. Sure enough, when he arrived at the church there were the women on one side and the men on the other.

But he heard the women discussing politics, the candidates they were going to vote for, the amendments to the Constitution, while from the men he heard something like this: "You gotta boil it three hours, and remember, don't forget the yeast!"

*M.T.*





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# North Dakota Returns to Sanity

By WILLIAM S. NEAL

ONLY A FEW years ago, North Dakota was on the high road to Heaven. The "New Day" planned by the Nonpartisan League was to make the farmer prosperous and happy. "Big Business," the foe of the people, was doomed.

Any man, who in 1919 had told the sturdy hard-working farmers of North Dakota that their program was an illusion, that the farmers themselves would in six years welcome back "Big Business" would have been laughed out of the state or locked up as a dangerous lunatic.

The League which fostered and promised this "New Day" was a farmer-labor coalition. A program foreign to the time-honored conception of the function of government and business was announced.

The term "New Day" pleased its originators. It expressed their thought and purpose. The state would slay the dragon, "Big Business." The state would itself become "Big Business," with banks, flour mills, packing plants and what not. The sky was the limit.

Nearly a decade has passed since the Nonpartisan League came into power. North Dakota is again looking forward to a "New Day" in which cooperation and good will are substituted for boycott and hatred, and sanity will prevail in governmental deliberation.

## The Story of Failure

THE "NEW DAY" program, it now is quite apparent, was a mongrel. Originated as a means of solving marketing problems for the farmers, it was added to by labor, and altered and guided, if not captured, by socialists. It failed, and the story of its failure is one of government incapacity to direct business enterprises. A collateral story is that of the collapse of the ambition of socialists who sought to convert an entire state. With the passing of the years there has come a new recognition that only demagogues seek to capitalize economic problems as political issues and that man-made laws are fragile while economic laws are inexorable.

The Nonpartisan League economic program, to be accomplished through legislation, has been expanded and contracted several times. It has run from proposals for redress of wrongs suffered in the disposition of grain almost to sweeping declarations in favor of public ownership of all agencies of distribu-

tion. The economic program specifically included:

A Bank of North Dakota, state-owned, state-operated.

State flour mills and terminal elevators.

Monopolistic state hail insurance.

A state home building association.

State creamery, to prove extortionate profits in this industry.

Virtual single tax on farm lands, exempting

actually established had no place in the original program.

This enterprise—Home Building Association—was seized upon as a quick means of proving to the people how beneficial was public ownership. The Association was started in 1919 when the war had left the country with a building shortage. Homes would be built by the state for working men, costing not more than \$5,000 each, payment to be amortized over a 20-year period. The Association functioned actively about two years and built 50 homes.

These facts were brought out: Homes were not being built for working men but for state officials and others of means.

Cost was much greater than \$5,000 each. The state did not save the homebuilder money—the homes cost 61 per cent more than estimated cost. The Association's program called for an expenditure of \$275,000. Although not yet liquidated a loss exceeding \$300,000 has been charged to the state.

## Politically Controlled

WHAT happened to this program was just what so often happens to public ownership projects. Being a public business, it was politically controlled. An insurance agent was named as manager and a farmer was made his assistant. The minor jobs went to "deserving" Nonpartisans. An imagination fired with the excitement of a political rally could not descend to the careful scrutiny of a balance sheet. The employee knew that a dozen votes properly captured was more potent in gaining promotion than a hundred figures entered on the ledger. Tenure of employment was dependent upon the vagaries of politics.

The manager could not outline a five-year program and hope to withstand attacks of politicians if the surface showing was not at all times satisfactory.

The people of the state, too, discovered that they were helpless as stockholders in a public business. They must elect the general board of directors of the enterprises (control being lodged in an Industrial Commission of three elective officials), but they could not judge this board on business ability alone. The people, as stockholders, must take into account their attitude on taxes, pardons, willingness to enforce the prohibition act and other governmental functions. By one faction the people were told that the enterprise

WHETHER textile manufacture, agriculture or the coal industry is in trouble, *Nation's Business* listens with sympathy to any suggestion for its relief. We are uncertain of many things, but certain of one: that paternalistic legislation is not the cure for any ailing industry, be it farm or factory or shop.

Some years ago we printed the danger of the path North Dakota was treading in its experiments with state ownership. In this article William S. Neal tells how these experiments have failed.

During the five-year period of trial of the state-owned industries, Mr. Neal was editor of the *Bismarck Tribune*, and correspondent for metropolitan dailies. He kept close watch on legislative investigations of the state-owned industries, and made independent studies of them.

In William Harper Dean's article which follows this one is proof by fact and figure of all Mr. Neal says. Following Mr. Dean's article, John W. O'Leary points out how hard was the lesson that industry has learned, and urges upon agriculture that it avoid the same mistakes.

—The Editor

structures, improvements and most personal property on farms from taxation.

The period of radical control brought many marked changes in the state's laws. The "New Day" program, however, rose and fell with the experience of the Bank of North Dakota, the Mill and Elevator Association, and the Home Building Association. They were the test of the efficiency of the state in business. If they were successful, state ownership would be proved practical, and if public business could prosper financially and disclose extortionate profits in private industry, the socialists argued, would not complete state socialism logically follow?

One of the first public business enterprises



# How the "New Day" Proponents Pictured Capital

(These cartoons appeared in the *Nonpartisan Leader*, official magazine of the Nonpartisan League, 1919-1920)



These cartoons, reproduced from the *Nonpartisan Leader* are evidences of the militancy of the early days of the state-ownership experiment



Capital was condemned in a blanket indictment by the Nonpartisan League. This cartoon, published November, 1919, was captioned "Blocking the Way"

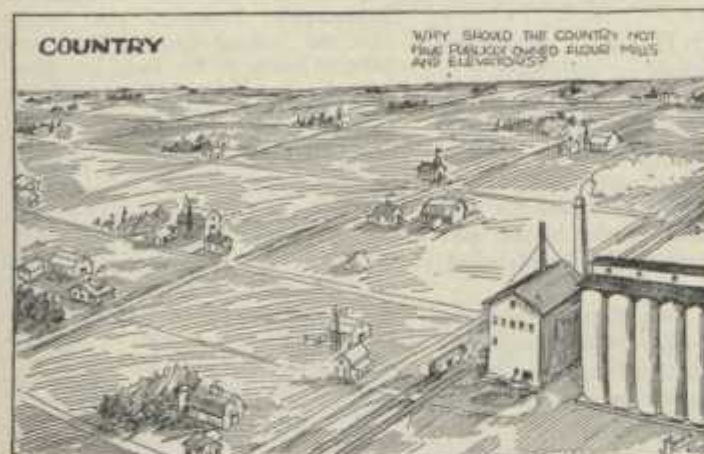


The Nonpartisans wanted "Uncle Sam to take the place of the Armour-Cudahy-Swift crowd and operate the packing plants for service rather than profit"



# Some of the Nonpartisan Promises to the Farmer

(These cartoons appeared in the *Nonpartisan Leader*, official magazine of the Nonpartisan League, 1919-1920)



Antagonism between town and country was engendered and capitalized. The fact that the city has its municipal water works was used as a reason to show that the country should have public-owned flour mills. "It's a poor rule that won't work both ways," cried the Nonpartisans.



Liberal credit from state-owned banks was promised the farmer. "Hiram is not only good for a loan but he can have it at cost and on easy terms of repayment," the *Nonpartisan Leader* said when it published this cartoon.



Promises of emancipation from the rent collector were used by the Nonpartisan League to lure the support of both the farmer and the man in the city. A state home-builders association was to enable all to own comfortable homes on easy terms. (See article on p. 13.)



was successful; by the other, that it was a failure. The farmer-voter, unfamiliar with the business in which he was a stockholder, was unable to reach a fair conclusion. The men conducting the enterprise, schooled in the ups and downs of politics, knew that their tenure was not for long; so their attitude was to get it "while the getting is good."

The management found itself hampered by the red tape of public business. If the manager saw an opportunity to make a favorable purchase quickly and without advertising for bids he would in time be charged with graft. The very checks and balances, made a part of our government to protect political liberties, were a hopeless handicap in business.

### History Ignored

**T**HE INABILITY of the people to control their business enterprises as do stockholders in a private business was strikingly illustrated again in the North Dakota mill and elevator experiment. An important issue of the political campaign of 1924 was the conduct of this enterprise. But it was not the only issue. Appointments of the Governor (also chairman of the board of directors of this enterprise), the pardons he voted for, and rates figured in the campaign. After the election there was a difference of opinion as to whether the people-stockholders had directed a complete change in policy in the mill.

The exponents of the "New Day" in North Dakota set out to prove the "outrageous" profits in the milling industry which had been so frequently discussed by political orators. The politicians may not have known—and unfortunately probably did not care to know—that the milling business is one of the most highly competitive business enterprises and that the grain trade has world-wide ramifications.

They ignored the history of this business. They would build a great mill. But what private mill had been great when started? They, perhaps, did not realize that most great milling firms once were grist mills or little more; that they had become great institutions through the energy, foresight and sacrifice of one dynamic brain, devoting a life-time to one business.

After a brief experiment with a tiny mill, the state built a larger mill of 3,000 barrels daily capacity, with elevators to store 2,000,000 bushels of grain. Built by politicians, it cost \$3,044,000. Governor Arthur G. Sorlie of North Dakota is authority for the statement that the mill should be listed at \$1,500,000, on the basis of private investment at mills of like capacity.

The manager chosen had been successful in private employment. Immediately he faced the practical problem which exponents of public ownership had ignored. He must have a market immediately, while his private competitors had a market won as their mills grew from small to large institutions. He believed he must start the mill at full capacity and reduce prices to establish his market. His alternative was to start one unit of the mill and pay an immense cost for keeping other units idle.

The management of the mill came before

the people at an election in two years. The manager was not ready—he had outlined a program extending over a period of ten years, expecting his showing at the end of two years to be bad but believing it would be successful if carried to a full conclusion.

He was condemned. He could not make a convincing explanation to a voter unfamiliar with the business. One of the most effective arguments against the management was that four salesmen had met the same day in one town. An explanation was made, but the story was too effective politically to be dropped. A new policy was instituted, but

state in five years. It was the beginning of a vast system of state finance. To date the Bank of North Dakota has conceived no off-spring.

The bank had \$2,000,000 capital and \$10,000,000 of deposits under a compulsory public deposit law, but like the other public enterprises, immediately passed into political control.

Public money was "re-deposited" in private banks, the state bank being unable to use it. An investigation disclosed that so-called "league" banks—established by members of the Nonpartisan League—were favored in "re-deposits." Many of these banks, launched where there was no necessity for new banks, failed and the state sustained heavy losses.

During the period when this state bank had loaned \$3,002,680.91 to farmers a statement of the president of the Federal Reserve Bank of Minneapolis informed the people that the Federal Reserve Bank and private banks of St. Paul and Minneapolis had loaned \$31,482,969.52 in North Dakota solely for agricultural purposes.

The Nonpartisan League management continued from the opening of the bank in July, 1919, until after a recall election November 23, 1921. Its paper deficit exceeded \$100,000 and the auditors estimated that if liquidation were immediately required the losses would be between \$1,500,000 and \$2,000,000.

This state bank made a brief excursion into other fields. Unable to sell bonds in usual channels because capital was not assured of fair dealing or safe return, the state bank sought to sell bonds to laboring men and farmers in other states. The effort was a failure, and the "New Day" exponents for the first time began to appreciate that capital is non-political and non-partisan and that it will not go where safety is not at least reasonably assured.

### Tax Burden Rose

**M**ANY of the socialists who flocked to North Dakota to participate in the new movement were advocates of the single tax theory as a stepping stone. A virtual single tax on farm lands was provided. Between 1917 and 1919 the tax burden on farm lands rose from 51 to 70 per cent. This was one of the partings of the ways between the pioneer farmers of North Dakota and the politicians with socialistic tendencies. The farmers who came to this pioneer state because the American system guaranteed high reward to individual enterprise, sacrifice and initiative did not propose to surrender this inherent right to anything that savored of a Marxian program.

The lesson North Dakota learned in her enterprise in state ownership is that government and business do not mix.

That the state enterprises failed in competition with privately owned business surprised only those whose enthusiasm was greater than their historical reading. The failure of other socialistic or state industrial schemes was re-enacted in North Dakota.

The business of an American state has been in part to protect the right to individual success. The individual is not asked to

**H**ERE IS North Dakota's present position as defined by Governor Arthur G. Sorlie in a series of questions and answers:

**Q.**—Is North Dakota permanently committed to a policy of state ownership as opposed to private initiative in business?

**A.**—If you mean, is North Dakota a socialistic or communistic state the answer emphatically is "No." Our program is opposed by socialists and communists. North Dakota has one business, that of agriculture. It is privately owned and will continue to be. We do not hesitate to use the power of the state government for the benefit of this business, from which 100 per cent of our citizens derive their livelihood, directly or indirectly.

**Q.**—Is North Dakota in conducting a state flour mill making plans for other publicly owned flour mills? In maintaining the Bank of North Dakota is the state seeking to break down the system of private finance?

**A.**—No. Our flour mill is an experimental laboratory, designed to prove to the world the superiority of North Dakota hard spring wheat in the making of flour.

The Bank of North Dakota is of assistance to private banks as well as to the citizens of the state generally. It is our bank, just as the steel interests and oil interests have their own banking institutions. At the present time we are engaged in making plans for the aid of private banking institutions.

**Q.**—Does North Dakota expect the national government to make agriculture a successful business?

**A.**—We will solve our own marketing problems. I do not believe in price-fixing, and I am opposed to paternalism in government. There are some ways in which the national government can be of assistance to agriculture, just as the national government has helped industry through the tariff.

losses continued. The mill opened October 23, 1921. Its losses approximate \$1,000,000.

When the mill was established it was to be a fair test of the efficiency of a publicly owned flour mill in competition with privately owned mills. Only a fair test was asked. Yet the mill has never been measured by the standards of private business. Never have taxes been figured in the audit reports of the mill. Moreover it had a monopoly of state institutional business.

Perhaps the most ambitious feature of the "New Day" program was a Bank of North Dakota. This project was accompanied by declarations that if this bank were a success there would be a state bank in every other



work for the state alone; he may work for himself and his family. If his neighbor is slothful, he has the right to progress beyond him. Those born equal may become unequal in riches, in the respect of others and in the joy of achievement.

The state has not been entirely unselfish in fostering this principle, as North Dakota was to learn. The state gained the benefit of the service of its strongest citizens, directly or indirectly. The state by this system had made the weak strong by tempting them with success.

The power of the Nonpartisan League was

broken by a recall election late in 1921. A part of the program remains. The Bank of North Dakota is functioning, but in a limited capacity. It is little more than a rural credits bank. The state mill and elevator at Grand Forks is no longer designed to destroy private flour mills but is, Governor Sorlie explains, an experimental laboratory to prove that North Dakota has an exclusive commodity in hard spring wheat.

The hail insurance monopoly, which found its insured acreage dropped from 12,408,350 in 1919 to 7,748,467, has been forced to adopt a zone system of rate application which

private companies have followed, and its life now is threatened by application of a court decision denying it full use of the tax laws in collecting premiums.

North Dakota found big business enterprises ready to lend a helping hand during the dark days of agricultural depression, after the political theorists had been defeated and confidence restored. Her people learned that "Big Business" did not seek the impoverishment of the state. Rather, they learned that the largest business interests want general prosperity, for they can prosper only in proportion to the prosperity of all.

# Facts, Not Speeches, About the Farmer

By WILLIAM HARPER DEAN

Manager, Agricultural Service, United States Chamber of Commerce

**A** LITTLE more than two years ago, in December, 1923, there was taken a fair sample of the North Dakota farmer's credit status. This was not so much an effort to measure the extent to which these farmers were able to secure credit, but rather an inquiry into their net worth,—the difference between their assets and liabilities. The sampling process was carried out in four townships of Foster County, lying just east of the state's geographic

situation, were well-nigh useless. The situation which came to a head about 1923 called for facts and figures fresh from the scene of trouble.

North Dakota's Agricultural College assumed the task of supplying this much-needed information. And by a survey of four Foster County townships—Longview, Estabrook, Birtsell, and Melville—brought out facts and figures which it published as a bulletin entitled

"Report of a Farm Credit Survey of Four Townships, Foster County, North Dakota." This was not a hit-and-run process of fact finding. The most painstaking care was exercised to visit every farmer in the first three townships and from each to secure a report, the form of which had been worked out in great detail.

## What the Records Showed

**A**ND EVERY farmer in those three townships was visited. In order to secure a sufficient number of these field records to guarantee a round 100, the survey crews extended their inquiry into the fourth township,—Melville. And when the job was finished, exactly 106 complete records were in hand.

While they did not reveal a financial situation with respect to each farmer's affairs

North Dakota learned in her experiment in state ownership the lesson that government and business do not mix. These pictures, taken at the recent re-opening by Armour and Company of the defunct state-owned packing plant at Fargo, show how the people turned out to welcome the return of "Big Business" to the state. It was a bleak, cold day yet more than 20,000 persons visited the plant. (See Mr. Neal's article on page 13.)



COURTESY  
ARMOUR AND CO.,  
CHICAGO

center, an area selected because of average conditions found there,—not the most prosperous section in the state nor the least. It was and is what is known as an "all-wheat" area.

There were many reasons for sampling conditions in North Dakota. Everybody remembers the tenor of reports which were circulated concerning the state,—how its agriculture seemed threatened with absolute ruin, how farm families were forsaking farm and state without waiting for the painful realization of pending foreclosures, how banks were failing every day in the week.

In such times of depression it is very hard to get an accurate estimate of just what is happening. The 1920 census figures, so far as throwing any light upon the





which might be translated into an optimistic conclusion, nevertheless these records did show that many of the reports and stories in circulation were exaggerations. To sum up what these records revealed would be to say that in 1923 those 136 representative owner and tenant farmers were not broke. But they were carrying an irksome load of frozen assets.

This is exactly the condition which was faced by many of the agricultural banks in the Northwest during that period. The so-called Ten Million Dollar Credit Corporation which was set up early in 1924 and which only recently discontinued operations, found the greatest need for its aid in the direction of furnishing funds to banks which would thaw the frozen assets with which many were overstocked. And there you have it.

We know that for several years prior to 1923, North Dakota—and this applies to other Northwestern grain states—had felt the pinch of poor crops which resulted in a piling up of liabilities upon the farmers, with an attendant embarrassment to all business directly or indirectly dependent upon agriculture for its stability. And low prices, particularly for grain, had done nothing to help matters. There was much talk about diversified farming as a solution of the problem. As a matter of fact there was introduced in Congress in 1924 a bill known as the Diversification Loan Bill, providing for a revolving fund of \$50,000,000 for lending to wheat farmers for the purchase of livestock, thus to make a real beginning in a drive for less wheat and more of the products which offer a year-round market for the farmer's labor as against the 120 days or thereabouts of actual productive labor possible on the farm producing little else than wheat.

### Fantastic Schemes

A HOST of self-styled spokesmen of the farmers advocated such drastic and fantastic schemes for putting the Northwest on its feet as price-fixing by the Government and the dumping by the Government of exportable surpluses, with particular reference to the surplus of wheat.

But the diversification loan plan as well as the price-fixing and Government export corporation schemes were defeated. To all intents and purposes the Northwestern wheat farmer—and here we refer to him in terms of his North Dakota brother, had been left to the mercy of every destroying influence. It was only a matter of a short while, it repeatedly was prophesied, before the whole agricultural structure of the Northwest would collapse.

Two years have passed since the making of that survey in a representative area of North Dakota. What has happened? The farmers who then were burdened with debt and were unable to secure further extension of credit—have they gone? Forced off their lands and driven to the cities? Let us see what has happened.

In December, 1925, those same four townships in Foster County were resurveyed by the same methods, using the identical field schedules as were used in the initial survey. The new data thus brought out shortly will be published by the North Dakota Agricul-

tural College. We are fortunate in being permitted to use it here for the first time. What this check-up shows can be told very briefly.

After throwing out several field schedules which contained incomplete information, it was found that the 1925 resurvey had secured the same information as was brought out in 1923 from exactly ninety-one of the same farmers. Of the original 106, one had died, and five had moved out of the State. Five of the remaining 100 were farming the same land but could not be reached by the survey crews.

Did the temporary distress these farmers had experienced as the result of low wheat yields and low prices turn them to a revision

on these farms, the increases have been immaterial. The number of cows has increased from six to eight to the farm; the number of sheep from two to eight. Otherwise the amount of livestock holdings does not differ greatly from that of two years ago.

And now we come to the real figures—the net worth of these farmers. Both owners and tenants show substantial increases in this respect. Between 1923 and 1925, the average net worth of forty-six farm owners surveyed in that area increased \$2,333—from \$15,859 to \$18,192. And the average net worth of thirty-eight tenant farmers increased \$1,525—from \$1,397 to \$2,922.

What accounts for these increases? They have come through decreases in liabilities and increases in assets. The forty-six owners increased their assets from \$26,521 to \$27,176 and reduced their liabilities from \$10,662 to \$8,986. The assets of the thirty-eight tenants, which were \$3,395 in 1923, were \$4,283 in 1925, while their liabilities, amounting to \$1,998 in 1923, were only \$1,361 when the resurvey was made.

### What Brought Change

NEITHER price-fixing, a government export corporation, nor revolving loan funds worked this change in the financial condition of these farmers. Better weather conditions which resulted in better crops, better prices for those crops, rigid economy by the operators and withal a determination to carry on, backed by an abiding faith in the outcome, is the answer.

There were a few farmers in this area who in 1923 were owners, and who when the resurvey was made two years later were tenants. They had lost their farms through foreclosure proceeding and immediately had turned around and rented them.

The little town of Carrington, North Dakota, the county seat of Foster County, did not look the same in 1925 as it had two years earlier. There was no "crepe hanging" on the door of any bank. There were no conferences going on in the back offices of banks well after midnight, when men who had their fingers on the economic pulse of their trade area debated what would be the final outcome of it all. Those same bankers who in December, 1923, told the survey crew that things could not possibly get any worse, had another story to tell in December, 1925. And this is true of other towns in that county which was taken as a fair sample of the State.

Those bankers could and did tell how the farmers who two years ago were bending under a load of debts which had seemed impossible to throw off, had eased their backs so that they were beginning to stand straight again. There had been no orgy of spending by those farmers who, because for so long they had been compelled to practice rigid economy, suddenly found themselves in possession of ready cash. No, they have settled and still are settling back debts—overdue interest, store accounts, and the like.

Another measure of the pick-up which has come to Foster County, is to be found in the amount of tax sales made in 1925 as compared with those in previous years. The 1925 tax sales in Foster County were the lowest in

LOOSE talk—and a lot of it—has been indulged in about the farmer. Just what are the facts? Is the farmer drifting into peasantry? Or, is he "beating back"?

Is he overcoming the hardships and handicaps of the period of post-war depression that caught all business in its backwash?

In 1923 accurate financial statements of forty-six North Dakota owner farmers were compiled. North Dakota was chosen because North Dakota was within the low pressure area of farm depression. These forty-six owner farmers were residents of four average North Dakota townships.

The average net worth of these forty-six typical owner farmers in 1923 was \$15,859. Last year, financial statements of the same farmers were compiled. The average net worth was \$18,192.

The average net worth of thirty-eight tenant farmers, residents of the same four townships, in 1923 was \$1,397. Last year it was \$2,922.

The owners increased their average assets from \$26,521 to \$27,176.

They decreased their average liabilities from \$10,662 to \$8,986.

The tenants increased average assets from \$3,395 to \$4,283.

They decreased average liabilities from \$1,998 to \$1,361.

What did it?

Not nostrums prescribed from the political stump, not legislative enactments, not price-fixing; but more favorable weather conditions that brought better crops, intelligent economies rigidly practiced and a determination to carry on.—The Editor

of their planting programs? It did not. The apportionment of these farms to various crops today is practically what it was two years ago. In 1923 the average farm had 217 acres of wheat. In 1925, wheat occupied 221 acres. Other crop acreages remained substantially the same. In other words, this still is an "all-wheat" region.

But the old wheat yield and prices did change. In 1923 wheat averaged a yield of 5.6 bushels to the acre. In 1924 and 1925, respectively, the average yield had increased to 15.8 and 14.8 bushels. Other crop yields were relatively as high. Hard wheat prices, which were below \$1 in this region in 1923, averaged \$1.32 in 1924 and \$1.35 in 1925. And wheat sales increased from \$337 to the farm in 1923 to \$1,453 two years later.

As to the introduction of more livestock



six years. For the year in which the original survey was made the tax sales amounted to \$68,355. The 1925 tax sales were held during the time the resurvey was being conducted, and \$28,949 represented the total amount.

It must be remembered that in taking field schedules from these farmers no records were made of the amounts of food which the farm produced for family consumption. Only income from sales was recorded. But most of these farmers in addition to higher

incomes which resulted in increased net worth, supplied their families a large percentage of the butter, eggs, milk, poultry and meat which were produced on their own lands. Nor in taking the field records was any credit given for house rent.

This is all. It is nothing tremendous. It might be said, and with good reason, that if 1926 should be a year of poor crop yields in Foster County, those ninety-one owners and renters suddenly might find themselves getting back into deep water. All business en-

terprises have their good years and bad years.

These men have shown what they can do when conditions are favorable for the production of normal yields. They do not need the Government to guarantee that, in spite of the weather, year in and year out, they will be prosperous. They are not asking this. These owner and tenant farmers of North Dakota want to be let alone and given every opportunity to work out their economic destiny in their own way.

# The Road We Have Come

*Business Has Learned Some Bitter Lessons; Agriculture May Get Constructive Help by Profiting from Industry's Experience*

By JOHN W. O'LEARY

*President, United States Chamber of Commerce*

**P**ROSPERITY in the United States depends primarily upon the stability of private enterprise and upon the assurance that it shall be free from encroachment by Government.

There are, today, certain danger signals which we must recognize. The danger signal which demands our immediate attention is the suggestion that we improve the economic position of our agricultural population by uneconomic legislation.

In the last Congress such legislation was proposed. The McNary-Haugen bill was loudly proclaimed as the panacea for all agricultural depression. Because business men opposed it they were accused of antagonism to farmers. Selfishness was the motive ascribed to them.

## Unwisdom of Price Fixing

**N**O. 2 soft winter wheat sold at St. Louis on January 21, for \$1.95. If the McNary-Haugen ratio price method had been in effect the price would have been \$1.65.

Surely, experience has demonstrated the wisdom of opposition to that measure. Experience will always demonstrate the unwisdom of price-fixing by government agency.

A new Congress now proposes new measures. The bill which is attracting most attention at present is known as the Dickinson bill. It makes no claim to being a price-fixing measure. But new terms and new names cannot change fundamental facts.

Under its provisions there would be a government board of seven members in Washington. This board would determine when the market price of any basic agricultural commodity is depressed because of a surplus, fix the amount of the surplus, and arrange for the disposal of it. Since the amount of any commodity which our country will consume increases as the price goes down and decreases as the price goes up, every decision of this governmental agency as to the amount of a surplus necessarily and inevitably involves at the same time a decision as to the price which the board believes should prevail and which the board, by the exercise of all of its statutory powers, will endeavor to establish.

To say that such a procedure as is proposed in this bill, conducted by persons who are made officers of the Government of the

United States, is not governmental price-fixing is to ignore plain facts, plain language and well-known economic truths. The effect on the group it is designed to protect cannot fail to be disastrous.

There can be no lasting prosperity without agricultural prosperity. It behooves business interests of the nation, as it does all interests, to seek the welfare of the farmer. Our interests are common. When agriculture is depressed business depression follows. When industrial activity ceases the demand for agricultural products lessens and distress results.

It is because of this interdependence that business men owe to the farmer continuing cooperation in the study of our mutual problems. For our problems are mutual. Because business has been more highly organized we have experimented more. In the better organization of agriculture the benefit of our experience should prevent many of our mistakes.

Business has passed through the era of seeking relief through government for the cure of our economic ills. The new philosophy of business provides for self-regulation and independence.

## Fair Price Is Preferable

**B**USINESS has observed with interest the price-fixing, under government control, of other nations. Today we are temporarily paying the price of British control of rubber and Brazilian control of coffee. But we know in the years to come that if such controls persist the nations permitting them will suffer more than we. A permanent market at fair prices is far more valuable than a temporary market at high prices. Satisfied customers are valuable assets of any business.

American business has learned that high prices do not give assurance of high returns on investment. A curtailed market because of high prices produces surplus which must ultimately be sacrificed at a loss.

American business has learned that efficient production is essential to success.

American business has learned that through voluntary organization and cooperation, the experience, wisdom and research of each individual unit may be made available for all.

American business has learned that gov-

ernment is a valuable partner but a poor master.

American business has learned that artificial methods of price inflation are ultimately disastrous.

American business is witnessing daily the failure of enterprises which carry with them the loss of money and effort of the proprietors.

Such failure is unfortunate but legislation won't prevent it.

## Textile Misfortune Observed

**A**ERICAN business is witnessing the misfortune of the textile industry, of the coal industry. When business is good generally it is unfortunate that some must suffer depression. Yet business knows that legislation is not the cure.

American business has witnessed the trying times and disaster which come through deflation. Business knew that legislation could not prevent it.

American business has witnessed the dangers which surround too much credit. Business knows that legislation cannot prevent the failure which usually results.

Agriculture is the greatest industry in the United States. It is our biggest business. It has serious problems as all business has. It is approaching and solving them. Those co-operative organizations which have recognized the fundamentals of good business, efficient management, good organization, finance and credits, have succeeded and are today marketing \$2,500,000,000 of products. So long as the farmer retains control of his own affairs he will continue to make progress. Being engaged in the biggest and most important business he will recognize that he has the same troubles to contend with as all business. Neither success nor failure will ever treat all of us uniformly.

The shopkeeper located in the wrong place will barely eke out an existence or fail just as the farmer who locates in the wrong place. The manufacturer who expands his business too much will find himself with a surplus which he cannot dispose of just as the farmer who follows similar practice. The merchant who purchases his requirements for a cold winter and finds a warm one will lose substantially on his investment just as the farmer does who has the misfortune of bad weather.



# America's Century-Old Family Firms

By MARK SULLIVAN

**T**HE UNITED STATES this year arrives at the 150th year of its existence. The anniversary is to be celebrated in ways that will cause every American to reflect about his country's past. Philadelphia is to have a Sesqui-Centennial designed to rank with its own Centennial Exposition of fifty years ago, with the Chicago World's Fair, and with more recent and familiar displays of the same kind. Some organizations, national and local, are making plans to bring the spirit of the anniversary to every village.

## New Interest in Traditions

**P**UBLISHERS of books about American history, as well as teachers and writers of it, look for a new birth of interest in America, its history and traditions. Their anticipation, in fact, is that the six years from the present Sesqui-Centennial up to the two hundredth anniversary of the birth of George Washington, in 1932, will be a period of exalted interest in America's past. This anticipation is likely to turn out accurate. The spirit of the times is favorable.

The bulk of all this celebration will be nationally organized and will be focused on national history and national leaders, especially political and military leaders. That is appropriate, of course. Yet it would add to the value of the occasion if we could get an element of local interest into the individual local celebrations; if we could cause each village and community to find something of its own to be proud of, lead each of them to discover old institutions and traditions of its own, find links of its

own with the past. It would be a departure from the trite forms of celebration, and do more to give the largest number of individuals a personal interest in tradition, to cause them to understand tradition and have affection for it, if we could set every community in America to searching for what it has of its own that is old.

I should like, for example, to set all America on a search for the oldest American farm. By that I mean the farm that has been for the largest number of years in the possession of one family, passing from father to son, or at least passing through blood inheritance without interruption. I wonder where that farm is? Can any reader of

vative elements in America's population. The oldest American farm might well be among them. Equally stable are their neighbors, the Quakers of Chester and Delaware Counties. One would guess that the four or five southeastern counties of Pennsylvania would be a likely place to search.

But the oldest farm might be in Massachusetts. Connecticut would be no less promising. One might find the oldest farm family in one of those big brick houses that sit with ancient dignity on the lower edges of the hills, just where hill and meadow meet, in the little valleys that run back from the Hudson river in southeastern New York, where the Holland Dutch made the first settlements.

One wonders what the present generation would be like, what family traditions they have passed on from generation to generation. One would like to make the search in person, go on pilgrimages to houses that are candidates for the distinction, try to find the house in which one hundred and fifty years ago young voices sang:

There were some boys on Bunker's Hill;  
Dellum-down, dellum-down!  
There were some boys on Bunker's Hill;  
The king marched up but they stood still,  
Dellum-down, dellum-down!

and

There was a little ship in the North  
A-mer-i-kee,  
She went by the name of the Gol-den  
Li-ber-tee,  
As she sailed in the low-de-lands-low.

O, richer than the Indies the cargo that she bore

A-gliding up the stream by the sweet Poto-meek's shore,  
As she sailed in the low-de-lands-low.



COUNTRY  
THE FRANCIS  
PEROT'S SONS

Francis Perot, who in 1823 married Elizabeth Morris and succeeded to the malting business founded in 1687 by her great-grandfather, Anthony Morris 2nd. The Francis Perot's Sons Malting Company at Buffalo, now represented by the eighth generation, is the oldest business house in the country.

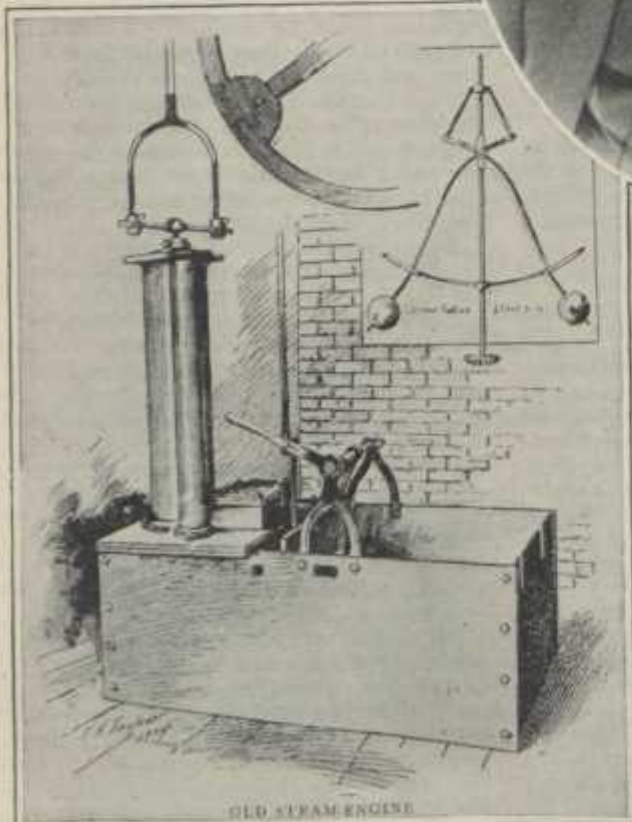
NATION'S BUSINESS help to identify it? Is it in New England or in the South? Is it in one of those fine old well-kept farms in Lancaster or Berks County, Pennsylvania, crowned with a stone house and big barn proportioned according to the thrifty "Pennsylvania Dutch" proverb, "a barn will build a house but a house will not build a barn"?

The Germans who settled in Pennsylvania in the early 1700's are among the most tenacious and conser-

**T**HERE IS fascination in the idea of finding the still-standing houses in which those songs, the popular airs of Revolutionary days, were sung by the ancestors of families who today still occupy the old farms. The novelists should take an interest in the search. A much talked about novel, "The Perennial Bachelor," deals with seventy years of the history of an old house that stood on the west bank of the Delaware River, just north of Wilmington, Delaware.

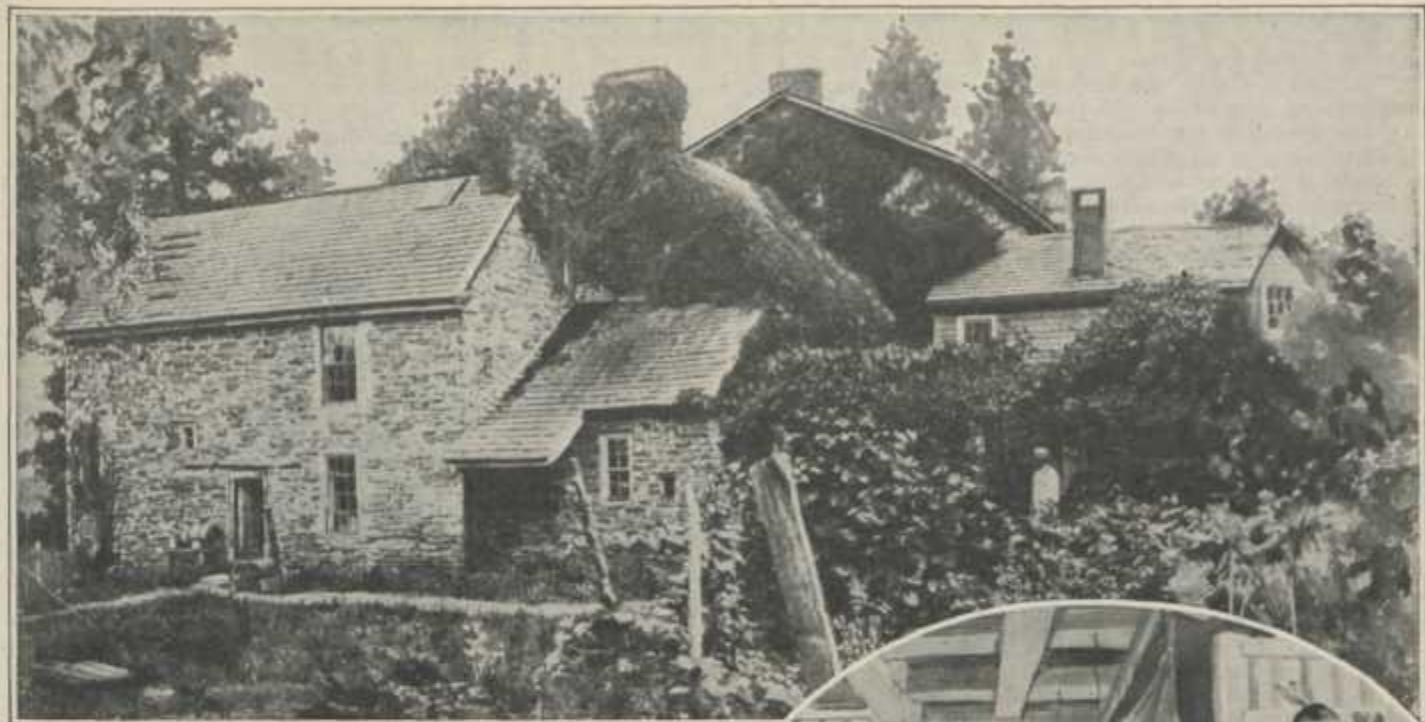
One might find the oldest farm in New Jersey, Maryland, Delaware, Virginia or Georgia. These and the other places already mentioned are the more likely localities, the places where farming has gone on for more than two hundred years. It is just conceivable, though, that accident and chance may have broken all the lines of descent in these older American communities; and that the farm held in continuous possession by one family for the longest period may be in the sections that are only about a hundred years old—western New York, eastern Ohio, or elsewhere. Wherever it is, the search will bring to light other farms distinguished in the same way, the oldest family in continuous possession in each state, in each county.

How many farms are there in America that have been held in one family a hundred years? The guesses are apt to be higher



A sketch of the oldest stationary steam engine in America installed in his malt house in 1819 by Francis Perot and operated for more than 50 years. The vertical cylinder was 40 inches long and the engine developed about 10 horsepower.





The firm of J. E. Rhoads & Sons, Leather, has been held in the same family since 1702. This picture shows the vine-covered homestead lived in by several generations of tanners. At the right is a drawing of the first Rhoads' tannery

than the facts will show, for America is a country of restless change. The sons that went west, or went to the city, have broken countless family chains. No estimate can be made until some organization or periodical starts the search. It is worthy to be done by farm papers and local newspapers, by state departments of agriculture and by Secretary Jardine.

Some two years ago the French Government, having started a search for old farms in the continuous possession of the same family, found one that went back nine hundred years, having been first occupied by ancestors of the present owners just after the year 1000.

### Oldest American Farm

SO FAR as my information goes, the oldest American farm in continuous family possession is just south of West Chester, Pennsylvania, close to the site of the Revolutionary battle of the Brandywine, where a venerable man, Joseph H. Brinton, 92 years old, occupies "Homestead Farm," which has been owned by five generations of Brintons before him. This, however, happens to be one example; there may be older ones. In the field of farms, no such organized search has been made as in the field of business.

In the field of business, we have some data—have, indeed, all the data available, or as much as it has been possible to get by patient search. I have recorded just seventeen American

firms that were doing business on the day of America's birth, that have held their own "against the tooth of time and the razure of oblivion," and today are in active business and in the hands of descendants of the original firm, without any break in family continuity. They are:

THE FRANCIS PEROT'S SONS MALTING Co., Philadelphia.....	1687
J. E. RHOADS & SONS, leather, Philadelphia.....	1702
CHRISTOPHER SOWER Co., publishers, Philadelphia.....	1738
THE LEA MILLING Co., flour, Wilmington.....	1742
THE STEINMAN HARDWARE Co., hardware, Lancaster, Pa.....	1744
R. A. & J. J. WILLIAMS Co., lumber, Phila.....	1751
GEORGE E. KEITH Co., shoes, Campello, Mass.....	1758
WETHERILL & BROTHER, White Lead, Phila.....	1762
A. H. HEWS & Co., earthenware, Cambridge.....	1765
ABEEL BROTHERS, iron, New York, N. Y.....	1765
WM. H. MOON Co., nurserymen, Morrisville, Pennsylvania.....	1767
CHARLES NEWMAN & Co., wool, Albany, N. Y.....	1768
H. C. DEMUTH, tobacco, Lancaster, Pennsylvania.....	1770
AMES SHOVEL & TOOL Co., Boston, Massachusetts.....	1773
GEORGE W. BUSH & SONS Co., transportation, Wilmington.....	1774
JOE T. PUGH, augers, Phila.....	1774
WHITNEY GLASS WORKS, Glasboro, N. J.....	1775

Among these, there are just

two firms that were in business when George Washington was born, and who in 1932 will be more than two hundred years old. They are:

THE FRANCIS PEROT'S SONS MALTING COMPANY, Philadelphia, 1687.  
J. E. RHOADS & SONS, Leather, Philadelphia, 1702

There was, until comparatively recently, a third firm in this unique list of businesses held in the same family since before the birth of George Washington. The James M. Willcox Paper Company was founded in 1718 and had a mill at Ivy Mills, on a stream in a lovely little valley about twenty miles out of Philadelphia. They sold paper to Benjamin Franklin for his printing shop; they made the paper on which was printed the first American currency, authorized by the Continental Congress.

In 1866, the family abandoned the manufacture of hand-made paper after a hundred and forty-eight years, but retained the business until 1892 when it was sold to the Glen Mills Paper Company.

A group of American firms that had been in the same family for more than a hundred years continuously was brought together for an annual dinner in 1889, on the initiative of Mr. Burnet Landreth who is himself the present head of a seed business and nursery founded at Philadelphia in 1784. The group of old family firms thus brought together formed an organization known as the Asso-



COURTESY  
DEMUTH,  
LANCASTER, PA.

**ORIGINAL SIGN  
1770**

Older than the oldest cigar-store wooden Indian, this snuff-taking English gentleman still holds his post in front of the Demuth Tobacco Shop at Lancaster, Pa. He has served the same family for four generations



COURTESY  
J. E. RHOADS  
AND SONS, PHILA.



ciation of Centenary Firms and Corporations of the United States. At the start the organization consisted of only eight firms, but as time went on and more old firms were searched out, the membership roll grew to 87. To this society belong practically all the old American firms which have remained in the hands of a single family for more than a century. To get information on this point I wrote Mr. Landreth asking if to his knowledge there were any old firms not members of his association? He replied:

There may be three or four. I know of two or three. Many firms claiming a centenary foundation cannot prove it to the committee of admissions, there being something broken in their historical line; either they have gone out of business for three or four years during the 100 years claimed, or the business has descended from the male to another line. The by-laws of the Association require descent in the male line. There may be a hundred of these ineligible firms.

That is, there are 87 members of the Centenary Association (which restricts its membership to firms descended in the male line); there are possibly three or four more, Mr. Landreth thinks, not members of the Association; and there are perhaps a hundred more in which descent has passed through the female line at some point.

#### At Least 87 Fine Novels

THE Centenary Association is one of the most interesting clubs in America. There should be at least eighty-seven fine American novels in its membership. (One of Joseph Hergesheimer's novels, "The Three Black Pennys," tells the story of three generations of a firm of ironmasters who had one of those old furnaces in eastern Pennsylvania which have shut down in recent years.)

Of the eight concerns whose representatives met in 1889 to form the Centenary Association, only five survive today. That is to say, three firms that had endured in the same family for more than a hundred years, gave up and passed out, for one reason or another. On April 26, 1924, there went out of existence a business begun at least as far back as 1762. This was the shoe factory of James Benedict at New Canaan, Conn. During 162 years that

factory maintained a continuous existence, always in the hands of a member of the Benedict family. Its last owner, T. W. Benedict, Jr., great-great-grandson of the founder, gave it up reluctantly to enter another business.

In 1924 the Centenary Association published a volume containing the history of the eighty-seven firms making up its membership. It shows that most of the members are located in or near Philadelphia. Massachusetts has four of the Centenary firms; New York City, nine; Wilmington, Delaware, four; Baltimore, eight. In Washington, D. C., there are none, but Alexandria, Virginia, across the Potomac from Washington, has one firm, C. C. Smoot & Sons, tanners, founded by Charles Calvert Smoot in 1820. That is the only one, so far as is known, in the southern states.

In all the immense region to the south of Alexandria and to west of the Alleghenies there are no Centenary firms excepting one, the F. H. Lawson Company, of Cincinnati, manufacturers of galvanized products, established 110 years ago.

For the existence of but one firm west of Pittsburgh more than a hundred years old, there is an obvious reason—much of the country is only that old or less. But it would be interesting to set up appropriate standards in each of the newer states and seek for the oldest firms. Are there any firms in Ohio (other than the Cincinnati one already mentioned) seventy-five years old? Is there any seventy-five-year-old family firm in Indiana or Michigan or Illinois? West of the Mississippi, fifty years old would be a reasonable standard. Are there any veterans of that age between the Mississippi and the Pacific coast?

St. Louis is old enough to have firms of an age ranking with those of the East. Won't the St. Louis papers find out if any of the old French trading firms survive, or even any firm that was in existence before the Civil War—such a firm would be now sixty-five years old. The *Portland Oregonian* might find some fifty or seventy-five-year-old firms in that city. Harvey Ingham, editor of the *Des Moines Register*, writes books about Iowa history—can he find any firm in the same family for fifty years or seventy-five years. Can the *Dallas News* tell us the oldest firms in Texas? New Orleans should have some old firms.

While the Centenary Association official list gives

no hundred-year firms in the South except the one in Alexandria already mentioned, one feels there must be some quite long-established firms in some of the older cities of the South. Can William Gonzales of the *Columbia State* find one in South Carolina? Can Josephus Daniels, with the aid of his *Raleigh News and Observer*, seek out and record the oldest family firms in North Carolina? Georgia has some old cities in which Clark Howell of the *Atlanta Constitution* might find venerable family firms. Alabama has at least one very old town. Can the *Birmingham News* seek out the oldest firms in Alabama? Natchez and Memphis are old cities. In Kentucky, Louisville and Lexington occasionally reveal their fairly mellow age to book collectors, who sometimes find in those cities, or elsewhere in the state, specimens of early American printing. If Judge Bingham of the *Louisville Courier-Journal and Times* should make a suggestion to the young men on those papers, they might find some old family firms, mercantile or law.

#### Oldest Firm in America

THE OLDEST commercial house in America is The Francis Perot's Sons Malting Company, established in 1687 in Philadelphia, but now located in Buffalo, N. Y. The founder of the house was Anthony Morris, 2d, an Englishman who emigrated to the American colonies in 1683. It is interesting to note, as a contrast to present-day customs, that Anthony Morris' son, who succeeded his father as head of the business, was apprenticed out at fourteen to a rival brewer, and that for the privilege of serving the rival for seven years his father paid the sum of £20.

During the third generation there really were two businesses, two grandsons of the original Anthony Morris operating plants in Philadelphia. These were later consolidated. About 1823 the firm name changed from Morris to Perot, following the marriage of the heiress to the Morris fortune to Francis Perot, who had been an apprentice for five years in her father's business. Their son, T. Morris Perot, entered the partnership in 1869. In 1887, when the concern had reached the age of 200 years, it was incorporated, the ownership and management being kept by the Perots. Today the concern is managed by T. Morris Perot, Jr., and Elliston Perot, of the eighth generation in direct line of descent from the founder, Anthony Morris.

Survival over such a long period indicates not only great stamina and persistence but also the practice of unusually high standards of quality and fair dealing.

In a second article next month, Mr. Sullivan will give a complete list, so far as known, of the hundred-year-old family firms in America, together with the stories of some of them; and a discussion of certain forces in American life that make the perpetuation of family firms increasingly difficult.—The Editor

Thirty years ago, A. H. Howe and Company, earthenware manufacturers at Cambridge, Mass., used this float in their 131st anniversary celebration





# Let's Stop This "Fifty-Fifty" Business

By JAMES W. WADSWORTH

Senator from New York

Cartoons by  
Albert T. Reid



THE "FIFTY-FIFTY" system of federal aid to the states, in its modern lavish form, had its inception in 1914. Its beginning was modest enough. In that year, Congress enacted the Smith-Lever law, which has for its purpose the promotion of cooperative agricultural extension work.

The appropriation carried in the bill for the first year of its operation was \$480,000 to be divided equally among the 48 states on condition that their legislatures appropriate an equal amount for carrying on the work of educating their citizens in agriculture and home economics.

The next step was the Federal Good Roads Bill of 1916, for which the first year's appropriation was \$5,000,000. From these lowly origins, the growth of the subsidy system has been nothing short of astonishing. It has been like the proverbial snowball rolling downhill. Its popularity, particularly among western and southern members of Congress, has been immense.

## Time Has Come to Take Stock

ITS RAMIFICATIONS have taken many different directions from road building to teaching mothers how to care for their infants. Today, its inroads on the Federal Treasury have reached the enormous total of \$110,000,000 annually, which, of course, requires substantially an equal outlay from the states, so that the total cost of the system to the tax-paying public is well over \$200,000,000 a year.

The time has come, in my opinion, to take stock, and to get a clear understanding as to where we are headed. I do not contend that the subsidy system is wrong in every detail or that it ought to be abolished entirely. There may be some functions performed under it which can be done better by the Federal Government than the states. But I do believe that it could and should be radically curbed both in the interest of economy and sound policy and that steps should be taken to place a check upon its growth before it undermines our whole system of dual sovereignty of the state and nation.

I hear now of a movement to get \$100,-

The Federal Government has been given power over every citizen to an extent never dreamed of by the founders of the Government. Let us remember that our country is a federal union, not an empire.

000,000 annually from the Federal Government for the purpose of promoting education in the various states on the "fifty-fifty" plan. A certain organization is placarding the nation with a slogan to stimulate a campaign for the construction and maintenance of 250,000 miles of good roads "by the Federal Government."

One of my colleagues says he would like to see the federal appropriation for good roads doubled, making it about \$160,000,000 annually, so that the National Government would then relieve the states entirely of the payment of their 50 per cent of the roads expenditures.

A decent regard for the capacity of the Federal Treasury and of the principle of local self-government, if it is not to become wholly obsolete, requires that we learn soon where the extension of this expensive form of federal encroachment on state responsibility may be expected to end. During the

last session, I tried to get the Senate to approve an amendment calling for a statement of the ends sought in the federal good roads program.

The amendment directed the Secretary of Agriculture to have prepared, in cooperation with the appropriate state authorities, a map or plan outlining the system of post roads which, in his judgment should be improved under the Federal Aid System, and to submit that map or plan to Congress together with estimates as to the cost and the period of time necessary for the completion of the work.

## We Ought to Have Some Plan

I CONTENDED, and still contend, that Congress is entitled to know what is contemplated for the future, how much it will cost and how long it will take. If we are to go on expending \$80,000,000 or \$90,000,000 or even more a year we ought to have some plan on which to build and that plan ought to be before Congress so that we will know not only where we start but where we are going.

Strangely enough, that amendment was voted down. It was opposed on the ground that it might be construed in some way as calling a halt on future appropriations. The ardent advocates of the subsidy system apparently didn't want to know where we are headed.

There are five main forms of federal subsidies: Highway Construction (Act of July 11, 1916); Agricultural Extension (Smith-Lever Act of May 8, 1914); Vocational Education (Act of Feb. 23, 1917); Vocational Rehabilitation (Act of June 3, 1920); and Maternity and Infant Hygiene (Act of Nov. 23, 1921).

During the fiscal year 1924, (the last one for which completed figures are available), the Department of Agriculture, by authority of Congress, of course, disbursed \$98,790,595.19 in various forms of subsidies. The disbursements for road construction were approximately \$90,000,000. Expenditures for vocational education were \$5,412,143.40; for agricultural extension, \$5,820,816.89; and



promotion of welfare and hygiene of maternity and industry \$720,694.79.

These disbursements, with numerous smaller doles, brought the total for the year up to \$110,377,443.68. No less than \$80,000,000 is needed to carry out the highway construction plans for next year and still another \$116,700,000 will be required to discharge additional obligations already incurred under the same head.

### The Way Some States Pay

**A**N INTERESTING feature of the system is the manner in which some states are called upon to pay the great proportion of this outlay, from which they receive only a minute share in return. A few instances will serve to illustrate the point.

The state of Nevada pays into the Federal Treasury \$760,000 annually and receives in subsidies \$1,845,945, or 262 per cent of the amount it contributed to the maintenance of the Federal Government. North Dakota pays in \$1,282,838 and takes out \$1,487,859. South Dakota pays \$1,951,248 and gets in return \$2,094,133.

Contrast this with the case of Pennsylvania which pays in \$269,000,000 to the Federal Treasury and receives in return \$1,839,000 or about 0.7 per cent.

New Jersey pays in \$112,000,000 and takes out \$652,000 or 0.58 per cent.

Act of 1920 provides for the payment of 37½ per cent of bonus and royalties on those reserves. Under these two acts, refunds to the states are more than \$16,000,000, of which 11 western states get \$14,000,000 leaving less than \$2,000,000 to be divided among the other 37 states. Some of the states get absolutely nothing.

Wyoming gets \$5,143,434, an amount equal to 246 per cent of the amount of federal taxes it pays into the treasury. When the subsidies are added to this amount, Wyoming receives from the Federal Government \$6,491,285. Its contribution to federal taxes is \$2,088,353. The amount of the subsidies and refunds therefore is equal to 310 per cent of the state's contribution to the National Government.

On the other hand, take the case of the state of New York. Its share of the federal tax burden is \$690,415,425, and it receives in return \$4,474,294. I am not objecting because New York does not receive more but it seems to me that the time has come to lay a re-

the Congress, as to the differences in those costs. We have created a Federal Farm Loan Board and given it authority to supervise the making of loans on farm lands all over the country.

We have established a United States Shipping Board with its Emergency Fleet Corporation and have put the Government into the commercial shipping business, with results known to all.

We have given important authority to the Secretary of Agriculture in connection with the operation of the grain exchanges. In this same period, by Constitutional Amendment we have given the Federal Government the right to impose taxes upon all incomes from whatever source derived. And most important of all, through the adoption of the Eighteenth Amendment, we have given the Federal Government police power over every citizen to an extent never dreamed of by the founders of the Government.

This tremendous extension of federal power, together with federal aid development has resulted in establishing at Washington, with



It's a case of under-feeding and over-milking on the part of many of the Western States that take from the Federal Government far more in subsidies than they pay in as taxes

straining hand upon the practice of wet-nursing some states at the expense of others.

But questionable as these features of the system are the most dangerous phase of it in my opinion is its tendency towards the breaking down of the principle of local self-government and the

creation of an all-powerful federal bureaucracy.

The danger does not lie in the Federal Aid System alone by any means. During the last 15 years the Federal Government has undertaken the exercise of a large number of new and important functions. A scanning of the list of congressional enactments during this period reveals something of the situation. For example, since President Roosevelt left the White House on March 4, 1909, we have established the Federal Trade Commission with inquisitorial powers over every business concern engaged in interstate commerce.

We have set up a Tariff Commission charged with the duty of investigating the costs of manufacturing at home and abroad and advising the President, and through him

branches all over the country, a vast governmental machinery, so powerful, so complicated, that the average

citizen is utterly unable to comprehend it. Certainly, we should pause before we permit its further extension and enlargement. For if we continue this centralization of power and this assumption of governmental functions, we shall most certainly smother the ability of our people to govern themselves in the several states and in their home communities.

Too often, we are tempted to hand over to the Federal Government the doing of those things which can be done perfectly well by the states and their subdivisions, because, for the moment, it seems the easiest way to relieve ourselves of the burden of local responsibility and the duty of living up to it.

Our comparative success in governing ourselves for the past 150 years has rested most of all upon the initiative and enterprise of our people in meeting and solving governmental problems as they arise.

If we continue to take power away from the people and to transfer it to Washington we shall destroy those qualities, our local governments will dwindle to the vanishing point and we shall find the average man becoming a servant of the Government instead of its master. Let us remember that our country is a federal union of states, not an empire. Realizing as we must the dangers of a bureaucracy, irresponsible and remote from our view, let us pause and survey our situation before we yield to its inducements.

Connecticut fares still worse. It pays in \$37,000,000 and gets back \$201,000 or 0.54 per cent.

The representatives of the western states have a ready answer for this. They say that the Federal Government holds vast areas in the public domain within their borders and hence it is only fair that the National Government should contribute a large share to the improvements and expenses in those states. But there is an answer to that. Under the Federal Forest Fund Act of 1907, 25 per cent of the gross revenues from timber sales, live-stock privileges, and other uses of the forest reserves go back to the states within which the reserves are located for school and roads and 10 per cent for forest trails and roads.

In addition to this, the Mineral Leasing



# The Manufacture of Men

By G. L. GARDINER

Director, Foremanship Development, Oakland Motor Car Co.

**B**IG, ROUGH and ready, Harry Maxfield could pick up and unload more material than any other man in the unloading gang. He seemed to do the work of three ordinary men. But when someone made a foreman out of him because he could work, he failed. It is one thing to know how to do a job and it's another thing to get twenty other men to do it just as you would.

Yet, it is safe to say that the majority of foremen in industry today owe their promotion to the fact that they were superior individual producers.

The foreman's job is one of importance and responsibility, calling for a man of special ability and training. Not every man has the natural qualifications, and even those who possess the natural qualifications must be trained and developed.

## What Is Foreman's Function?

**J**UST what is the function of this modern foreman? He is a representative of the management to the men in the ranks, and of the men to the management.

In a sense the foreman is really a part of the management placed right out among the workers. To them he is "the company." By his actions they judge the company. Through him the point of view of workers must be passed on up to the management.

Regardless of the size of the enterprise, it is always the foreman who stands just one step above the men in the ranks and directs their activities. He supervises their work, he recommends their promotions, he praises and blames, he teaches them their jobs, he watches the quality and quantity of their work, he carries out the company's plans and policies.

"A company is judged by the foremen it keeps."

The latest available census figures show that the number of persons engaged in manufacturing industries for 1923 was 10,283,772, of whom 307,413 were foremen. It is probably fair to assume that each of these approximately ten million workers represented a family of four members, including himself. This means that approximately forty millions of persons in the United States are directly affected by the type of foremanship

that is practiced in our manufacturing industries.

Ask any industrial worker to name five reasons why he likes or dislikes his job, and invariably the foreman will be mentioned, either as an agreeable or a disagreeable factor. Thus, the importance of the foreman as a factor in the lives of our people is apparent.

If the foreman is to handle his job intelligently, he must have a general knowledge of many things outside of the narrow confines of his own department of the industry. The foreman is too prone to see everything through the light of his own particular duties. He should have a working knowledge of all parts of the enterprise.

A group of farmers were lamenting the death of their parish preacher, and each one was saying something good about the departed soul. Finally, one old farmer spoke up, "Yes, I reckon he was a good man all right, but I don't suppose he could have put on a load of hay or set up a shock of corn on a windy day to save himself."

The farmer saw the preacher only through the light of his own occupation. The foreman has a tendency to see everything through the eyes of the single department in which he is engaged.

Who is to blame for the foreman's lack of general knowledge about the functions of industry? Why has not the foreman broadened out? What can be done to develop the foreman?

## One of Management's Big Jobs

**T**HE RESPONSIBILITY is squarely up to management in industry. The building of foremen with a broad foundation of general industrial knowledge is one of industrial management's next big jobs. The average foreman of today is a perfectly natural product of an aimless lack of foresight in industry. Industry has expected that foremen would just "happen along" as needed.

It is an axiom of industry that "a quality product must be quality built." And so it is with foremen. If we want "quality" foremen we must embark upon a serious program of foreman building in industry.

A. R. Glancy, President of the Oakland

Motor Car Company, sounded the key-note when he told a gathering of our foremen:

"Foremen are more likely to fail from lack of information than from lack of ability. We feel that it is up to the management to give you the facts about our business that will enable you to manage your departments most intelligently."

## Building Men Systematically

**R**ECOGNIZING that foremen must be developed, the Oakland Motor Car Company set out to build foremen just as systematically as it goes about the business of building automobiles. If it is necessary to have a production manager whose main job it is to build automobiles, it is likewise important to have some executive whose main job it is to build and develop foremen.

Upon the basis of this conviction, the management sought the services of the writer as director of foremanship development. So far as we know, no other company has gone quite so far in recognition of the importance of the management's responsibility in developing foremen.

There are many foremanship training plans in use. We are trying to make use of the best in all of these plans. We have divided our foremen into conference groups, and each group meets for an hour and a quarter once a week for discussion. If one of us could just gather in and absorb the combined ideas of all, he would be a very wise man. This we know is impossible, but we do know that every one of us can pick up many ideas that he never thought of before.

These discussions are a great factor in developing foremen. The foreman learns to express himself. He learns to think logically. He has to because some other foreman in the group "calls him" if he strays from the path of sound practice.

"Well, that hasn't been my experience," says foreman Carl Heymann, speaking right out in meeting in contradiction of a theory advanced by August Schroeder. And then Heymann is called upon to state his reasons for the point of view he takes. Perhaps several foremen speak in favor of Heymann's point of view, and several think that



LEWIS HINE, HASTINGS, N. Y.

Two of these men are laborers. The other two are seasoned foremen, management's representatives among the workers. It is management's job to build foremen



Schroeder is right. After the discussion has run for a few minutes we take a vote on the issue, because we believe that the majority of foremen in a group will usually be right on most any question which may come up. We attempt to bring every issue in the discussion to vote.

The foreman who is on the wrong track starts to do some real thinking on the point when an expression of the group shows that he may be the only one in the crowd who looks at the questions as he does. He will invariably come to the conclusion that it is not probable that "they are all out of step but him." It is much more effective to let a man draw his own conclusions, thus, than for someone to get up and attempt to "lay down the law."

Our discussions are "free for all" in which every man speaks his ideas with the understanding that he will never be held responsible outside of the meeting for anything he says in meeting. Our discussions are informal. The men smoke, if they care to, and everything is done to erase all conventionalities. If anyone has a good story to tell to illustrate a point we are glad to hear it.

#### Executives Attend Meetings

**THAT** WE are succeeding is evidenced by the fact that executives who are not foremen attend many of our meetings. For example, it is a common occurrence for the head of our cost accounting department to attend as high as three meetings in a week.

We are glad to have these other executives visit our meetings because they get many ideas which they put into practice

Skilled mechanics—more interested in their own work than in directing the work of others. To men like these the foreman is "the company." They judge the company by the foreman's actions. Through him their point of view must be carried on up to the management

to the benefit of the entire organization.

For example, we were discussing the subject of "Breaking in New Men" one evening, when one of the foremen spoke up, "We've decided here that the foreman must start the new man off right, and give him a good impression of the company he is working for. But there are some conditions in my department, over which I have no control, which make it very difficult for me to

make a good impression on the new man." And he went on to describe a number of these conditions.

Before we knew it everyone was chiming in with this condition and that condition throughout the plant that needed improvement in order that working conditions might be more agreeable. I noticed that several of our visiting executives had their pencils out and were making a lot of notes. This

gave me an idea, and when the meeting was over I listed all of the unfavorable conditions mentioned and submitted them for management's consideration. Very few of those conditions still exist.

When we crystalize the combined opinion of the foremen we have succeeded in bringing a powerful influence to bear upon the elimination of unfavorable conditions. When foremen start to think constructively, the biggest step in the foremanship development plans has been taken.

#### Not Too Long

**AT** THE present time we are holding our conferences in the evening although we intend to vary this feature from time to time. A little later we will probably hold our meetings during the day on the company's time.

We do not believe in making our meetings too long. We meet for an hour and a quarter. The meetings are started and closed on time.

"Why, we were only just getting 'hot' when you cut her off," a foreman said to me the other evening. But we would rather "send them away from the table hungry" because we know that they will come back to the next meeting with a better appetite. It is most unfortunate if a foremen's conference is allowed to die from exhaustion, because most of the men become weary and disinterested, if not disgusted, and a few of the talkative members monopolize the discussion.

We have a planned-in-advance program of subjects to take up at our weekly conferences. We furnish each foreman with a pamphlet of text material relating to each of these subjects as they come up. This material is passed out at the close of the meeting preceding the one at which the



LEWIS HINE, HASTINGS, N. Y.



subject will be discussed. Thus, they have a week in which to read over the material.

Our text matter is very brief, simply written on small pages with bold print, short paragraphs strewn with anecdotes and practical illustrations. We do not care to burden them with any more reading than we consider absolutely necessary. Our purpose in providing the text material is to help to get all of us thinking along the same general lines each week.

Although we plan our program far in advance, our plans are elastic enough to admit of any changes which may appear timely. Any program of foreman training must have this feature. To illustrate the elasticity of our program, a change of policy was announced with regard to our method of wage payment. Our Works



LEWIS HINE, HASTINGS, N. Y.



Structural steel foreman directing work on a sky scraper. At the left, construction foreman and the vice-president checking up at the erection of a super-substation. Not every man possesses the qualifications to be a foreman, and even those who do have the qualifications must be trained and developed

furnish the foreman with the same kind of facts as the works manager has at his disposal. We give our foreman the real facts about his "business."

#### Most Important Single Factor

**L**ITTLE by little we give them such items as the capital investment in machinery and equipment in their departments, the prices of material which they use, the monthly payroll of their respective departments, cost of idle machines, cost of heat, air, power, and maintenance, pro-rated overhead for their departments, and cost of labor turnover.

We find that the more facts the foreman has about his operations the more of a manager he naturally becomes. This is the most important single factor in making managers out of foremen. There need be no confidential costs kept from the foremen. The management will lose more by hiding facts and figures from foremen than it ever will from giving them this information. We find that the foremen are proud to be entrusted with confidences. They make excellent use of the information.

Building foremen is a job that cannot be left to busy production executives. They have not the time to do a thorough job of teaching their foremen, and it really does require teaching ability. It must be the main job of someone in the organization to carry management's facts, policies, ideas, and desires to the foremen.

Too few managers seem to appreciate what a power for profit or loss exists within their foremen. Foremen may constitute a company's greatest asset, or its greatest liability. No modern management can afford to overlook this fact.

Manager, A. J. Brandt, was very desirous that the new policy be thoroughly understood by the foremen as they were the men who would be most responsible for its successful operation. So he came into the foremen's meeting and discussed the whole wage policy first hand.

#### About the Company's Business

**T**HE FOREMEN obtained a thorough understanding direct from the management. Furthermore, contact of this kind between the higher executives of the organization and the foremen is very healthful. In fact, we have found it so valuable that once every six weeks, and sometimes oftener, our works manager meets with the foremen and gives them a message about the company's business which helps to expand their appreciation of management's position.

At the beginning we said that the broad function of the foreman was to act as management's representative among the men. But before the foreman can intelligently

represent the management he must know a good deal about the management. We are systematically carrying these things to them through every available channel.

We want our foremen to regard themselves as managers. In the management of his department the foreman is a manager just as much as the plant manager,—the difference is simply a matter of scope. In our program of foreman development we are trying to get our foremen to conceive their departments each as a going business with a foreman as manager. If our foremen will bring to bear the same point of view upon the problems as a plant manager does upon the whole works, then we will have a hundred plant managers in our plant instead of one.

How can the foreman get the managerial point of view? How can the foreman be developed to the point of attacking his problems just as the plant manager attacks his problems?

Here is the manner in which we are developing our foremen in this direction. We



# Where Are Mail-Order Houses Going?

By HARRY R. WELLMAN

*Professor of Marketing, Amos Tuck School, Dartmouth College*

Illustrations by R. L. Lambdin

**G**RACIOUS! What will happen next? Here we've just got over our house-to-house scare and now look at this! Is it true that department stores are turning into mail-order houses and mail-order houses into department stores?

O dear me, yes, and then some. And chain stores are beginning to advertise, to deliver goods and put in order-telephones? O yes, again; also, O dear! Because after all the shouting is over, nothing very spectacular or very new has happened. The department stores have offered real mail competition to the mail-order houses for a long time.

The mail-order houses have considered chain-store operation for four or five years and have tested out the idea pretty carefully, too. If we wanted to go to the extreme we could say that through its bargain basement and through sale-a-day-a-department methods, the department store has stolen most of the chain-store's thunder—and has won a price reputation for itself at the expense of its former reputation for style and quality.

## Cages and Tubs

**W**E could even take a trip through the countryside, the wide, open spaces where men are men and slow to change, and find bird cages and bathtubs, Epsom salts and scooters where formerly staple drugs, or furniture, graced the shelves.

It has been a merchandise-mad world, and the alert merchant, no matter what his former label, has been reaching out after every new and apparently successful method of distribution. The race has been to the swift and the strong-arm.

There was too much merchandise—a market had to be created—low prices would do the trick—strong-arm the manufacturer until he could see the light—and then sell the merchandise anywhere, anytime, anyhow, as long as you made a profit. We doubled the old slogan and it read, "Let the manufacturer take care"—and he did, and "let the buyer beware"—and he's just beginning to. And after all is said and done, mad as the various schemes have been and still are, the job was done, the surplus merchandise was distributed and we are at last more or less ready to return to sane merchandising.

The old distribution machinery cracked under the strain of an overload of thirty per cent. New channels appeared—the house-to-houser, the bargain basement, the new chain-store mail-order house, and thousands of small direct-by-mail schemes. In this mer-

chandise welter, the mail-order house found very keen competition in so far as price was concerned. But while it had always had a price competition, it never before had been obliged to fight both price and quality competition. Quality at a fair price has always been the real and honest slogan of the larger mail-order houses.

This competition had to be met. If the automobile has increased the trading area twenty-five miles, trading centers using both price and quality appeal (owing to their ability to buy surplus merchandise at a low price) have offered a wider and a stronger competition. The mail-order houses

turnover" will remain a real merchandise slogan for some time. But while this new movement has been valuable in itself, it has also been of value in teaching stores whose merchandise is by nature slow in turning to remain so. Hardware and other more or less imperishable merchandise remains and should remain sold a long time.

## When Right Answer Is, "No"

**W**HEN it comes to the new methods of disposing of decent, trade-marked articles through sales, bargain basements and low-priced outlets, the answer is, "No." This method will not endure because there will be no reasonable reason why it should be used except rarely as it is always used in time of normal or reasonably equal supply and demand.

Recognized, reputable chain stores are not included in "low-priced" outlets because such stores are not "price-cutters" in the proper economic sense of the term. If these stores avoid delivery charges, credit, and the cost of slow turnover, if they secure economies in mass arrangement, management and operation, they are simply passing on to the customers these savings represented in a few cents per item less than the charge of the stores that do not secure these economies. The long price is inclusive of charges that the

chain stores do not encounter.

To make it absolutely plain, if chain stores of this type did charge the long price, they would be making exorbitant profits to which they are not entitled and which they do not want.

Before we get all excited about what is going to happen in the new mail-order plan, let us

set down in sober black and white just what has happened to date. The mail-order houses have not entered the "chain-store" field as we commonly understand the term. They have opened what might even be termed modern department stores at their own plants, mostly, or in nearby low-rent locations.

In other words, the present development of the mail-order branch store idea is not a wholly new departure, since they have generally operated a retail salesroom, but a definitely planned extension of this idea to all of their warehouses and to a few other suitable locations. In brief, the retail store is the catalog come to life.

All of these new outlets are characterized by their distance from any shopping center. All are devoid of service features that go to make up increasing costs in the average department store. It is fair to say that the profits from cash-and-carry customers will pay the floor rent and that real profits will be made at mail-order prices. If a customer doesn't wish to carry the purchase home, the order is simply put through the regular



In the department store's bargain basement, merchandise is frequently offered at a lower price than the chain store can reach at a profit

have very little business in these trading centers and cities, their regular customers would not be offended, so why not meet this competition on its own terms, offering price for price and over an extended period not only quality for quality, but better quality?

And so the plan was started. A few branch stores were opened and the immediate sales were satisfactory. But with the return of a better balance between the supply and demand for merchandise, will the mail-order house continue in the chain-store field? Will many of the present merchandising methods disappear?

And the answer is, "Yes" and, "No." Without doubt the lesson of profit from more rapid turnover has been learned by thousands of merchants who previously conducted warehouses rather than stores. This lesson has been valuable and doubtless "increased



mail-order channels. Stock, of course, is mostly sample stock, as the store can get new stock from the mail-order warehouse, of which it is usually a physical part.

These branch stores then, enjoy all the savings in operation of the mail-order house; they permit inspection of the actual merchandise, and they offer real savings to anyone who will take the trouble to visit them. People do take the trouble to visit them as is indicated by the fact that the cars parked in the free parking space at the Chicago store on a recent Saturday, totaled 2,800!

This then, is the actual situation at present. What every one seems to want to know is, "How far will they carry this idea? Will they operate a great chain of department stores in every town and city?"

Opinions in a case like this are obviously worthless. But there are underlying economic facts and known social conditions governing retail outlets of this type that will at least show the known chances of success or failure, should they attempt to enter the general field.

First of all, the mail-order house has no outstanding advantage in entering this field. Its volume purchases are no greater than the volume purchases of the larger chains. Its skill in selecting merchandise for its country trade, may well be a handicap even, in the closely competitive retail field. Its long experience in operating warehouses is more than offset by its lack of skill in operating retail outlets. Its experience in handling operatives of the general warehouse type, will be practically valueless in handling the most rapidly changing force in the merchandising world, namely, the selling and store-managing force of a retail chain store.

#### Lacking in Experience

THE FACT that it owns factories and can produce its own merchandise, is offset by the fact that the large chains have exactly the same facilities. Both are likely to be penalized in times of rising costs of raw materials and labor, as the "regular" manufacturer will then make his volume count and reach the market at a lower price than either the chain store or the mail-order factory.

Physically, the mail-order house would have to jump its outlet from a low rental location to a high-priced retail location, which requires the strictest economies of operation. In this new situation the mail-order house is entirely lacking in experience. So, in general summary, it would seem that from the point of view of producing, buying, and experienced management, the mail-order house brings no advantage to the chain-store field but rather starts handicapped. The only clear advantage to the mail-order house itself is in entering a field in which it does no business at the present time.

Recent figures compiled by banks and statistical organizations seem to indicate that the top of the chain-store expansion wave has passed. Whether or not this is true in all lines of business, it certainly is true that it is costing the chain store more to get business now than in any other period of its history.

Rather lavish advertising expenditures by the great grocery chains, indicate inter-

competition of a serious nature. But, speaking from the strictly economic point of view, it is truly significant when chain stores install a delivery system, and when one of the oldest chains of all installs telephone-order service. If, in addition, they finally accept the load of the charge account, they will then be encountering most of the charges of the regular retailer. With these charges added, the chain-store prices will show no great saving to the consumer.

Of course, the large chains will still have their buying and operating advantage. However, neither of these advantages appear as formidable as formerly, since cooperative buying associations can now equalize the chain volume purchases and new, standard methods of operation and management are now available to the smallest retailer through his trade-association membership.

#### Manufacturer Sees Light

WITH this increased competition among the chain stores themselves, comes the present competition of the sale-a-day department stores and the bargain basements, where merchandise is frequently offered at a lower price than the chain store can reach at a profit. This competition, however, should materially lessen as manufacturers are even now watching the antics of the economic twins, supply and demand, much more closely. As a matter of fact, one of the most significant developments of the immediate future will be the more careful selection of outlets by the manufacturer and the expenditure of both time and money to keep the outlets selected.

Since 1920, the manufacturer has been in the hands of his distributors. For the first time in five years he begins to see how he can

again control his distribution. From his point of view this is vital, as his prestige has suffered both on account of unreasonable price-cutting and because of the type of outlets that have offered his product for sale.

The average retailer, having learned that many of his "sales" have cost him money and that much of his profit is even now tied up in "cats and dogs," left-over cases, half cases, dozens and odd lots, will meet the manufacturer half-way in carrying out any plan making for protection and profit.

#### Thoughtful Merchandising

THIS means that as supply and demand are more nearly in adjustment, the "exclusive" account or agency re-emerges and the thoughtful merchandising of the product is carried on from the manufacturer to the consumer, entirely through controlled channels. The basements will clearly lack the price and quality bargains they are offering today; the sale-a-day department stores will again return to their monthly stock-taking and other standard sales—and sanity.

So, while the mail-order house will encounter this added competition today, it can figure its real future competition largely in terms of other chain stores. The mail-order houses are sufficiently well financed to remove any doubt of their

It is costing the chain store more to get business now than in any other period of its history





ability to meet this competition as it now exists. Their problem, as I see it, breaks down into the selection of the proper location of their stores and the question of what effect the operating of these stores will have on their regular mail-order business.

Doubtless there are still many trading centers as there are town and city locations, not now served by the type of store that the mail-order houses could furnish. However, it would be well to scrutinize such locations very carefully with two thoughts in mind, namely, why haven't they been selected by reputable chain stores, and is there some "difference" in the chain-store business with which the mail-order houses have had no experience?

### Types of Chain-Store Buyers

THE CHAIN-STORE buyer is of two general types: The drug and grocery fields, by excellent method and merchandise, have "sold" the whole country the idea of buying reputable, quality merchandise at their stores; in the shoe, hat, clothing and general field, however, the type of buyer is clearly the "bargain" hunter.

There are excellent chains of stores in these fields but there are also many others whose prices and merchandise methods have

made impossible the same reputation generally as has been achieved in the drug and grocery fields. This means that stores of this type provide bargains for people who want quality and price but who will generally buy on price and appearance, even if they know quality is lacking.

Competing for this type of buyer means that the mail-order houses will have to offer prices no higher than competing stores. In other words, that the mail-order house cannot sell its present "quality at a price" merchandise through these channels in competition with merchandise "manufactured at a price." It is reasonable to assume, therefore, that to meet this competition it would often have to sacrifice its present quality to meet the price. If this is done, the mail-order house encounters a very real danger. A "cheap store" in the city bearing the name of one of our great mail-order houses, would soon spread its bad odor into the remotest parts of a mail-order territory.

There is a new attack upon this type of buyer being made by the department stores, that will bear watching. The "budget" or instalment plan of purchasing, appeals to the person whose income is scaled to chain-store prices but whose social aspirations are scaled to Fifth Avenue exclusive shops.

There is no social credit to be obtained in telling about a purchase that was made at a chain store or through a mail-order house.

### Their Present Attitude Sane

CONSIDERING these established facts, I have no idea that the mail-order house will dash into the chain-store field by establishing and operating tens or hundreds of outlets in competition with established chains and department stores. Their present attitude is eminently sane; they are experimentally widening their field of distribution by opening retail outlets as a definite part of their regular warehouses, or on suitable, nearby, low-rent land, where there is now no volume of either mail-order or retail business. The newness of the idea is attracting the bargain hunters.

If the mail-order prices are lower than bargain basements, chain and department-store sales, it will hold the new business. If prices are not satisfactory, it will lose the business.

But I dread to think what would happen to these new stores if the neighborhood did become a shopping center and thus took from them the fundamental elements of their present success, namely, low rent and no service operations.

## The "Why" of a Government Activity

OUT OF the mass of government documents that come to the editorial desk, one now and then looms up by the very unusualness of its title. Some weeks ago there was put before us one with this enticing label, "Food of American Phalaropes, Avocets and Stilts."

Ignorant of what a phalarope or an avocet or a stilt really was, we turned the pages and found that they were shorebirds. We found, too, that they had an "economic status." We found that in 80 stomachs of black-necked stilts there was but one stink-bug and we respected their taste. The question came to us seriously as to why the Government should be engaged in this undoubtedly important scientific work. We wrote as follows to Secretary Jardine:

It is no part of the job of this NATION'S BUSINESS of ours to criticize unreasonably or unfairly the government departments. I, myself, feel that the Department of Agriculture is doing a great many well worth-while things; but every now and then I see something that puzzles me; and when I am puzzled, I am inclined to feel the best way is to go straight to headquarters.

This is preliminary to saying that there just came to my desk a small illustrated pamphlet published by your department entitled "Food of American Phalaropes, Avocets, and Stilts." My first thought is, "What a nonsensical waste of public money!" My second thought is, "I don't know enough to pass judgment."

What is the good of this document? I don't question that it is of scientific value, but is the information put to work for the benefit of the farmer? We get just such questions hurled at us about the Government, and I am always interested to know the answer.

I am sure there is an answer, and I know you will be glad to tell me.

His reply follows:

I am glad to have your letter and to explain to you the function of the bulletin to which you refer.

This Department is, as you intimate, primarily concerned with agriculture, and is doing, I am

confident, a more extensive work for agricultural betterment than is any similar department anywhere in the world. The Department does not exist exclusively for agriculture, however. Like every other department of the Government, it is a department of the United States, not a department of a single group of the population.

Some of the work assigned to it by Congress, such, for instance, as the enforcement of the Food and Drugs Act, touches other phases of life quite as much as it does farming. The same thing might be said in somewhat less degree of the Forest Service, which is a part of the Department of Agriculture. The Department must, therefore, in view of the duties laid upon it by Congress, engage in activities which are not agricultural in character.

### For Benefit of Agriculture

FURTHERMORE, a large amount of investigative and experimental work is being carried on in the Department for the ultimate benefit of agriculture, although the results of any one experiment may not be susceptible of direct application by a farmer. On the basis of the results of many experiments is built up the structure of modern, sound agricultural practice.

For example, the use of the various serums in animal diseases, which has saved the lives of millions of livestock, was made possible only through highly technical experiments in bacteriology. The development of the high-yielding strains of wheat, oats, and other crops is the result of highly detailed agronomic investigation, based in turn on still more technical botanical experimentation.

The results of even the most technical experiments should be published for the information of the scientists all over this country, and, indeed, all over the world, who are working on similar problems, for it is only through the cooperation of a great many scientists that we ordinarily obtain the best results. If it were not for technical scientific research, some of it absolutely unintelligible to the layman, I am confident that agriculture would be little further advanced today than it was two hundred years ago.

I am calling these facts to your attention in order that you may understand clearly my view

as to the experimental and investigative work of the Department. I believe these statements are applicable to all our work in this field.

The particular bulletin to which you refer, "Food of American Phalaropes, Avocets, and Stilts," is, you will note, a Department Bulletin. The use of the term "Department Bulletin" rather than "Farmers' Bulletin" implies a certain technical or specialized character. This bulletin also bears a footnote indicating that it is "for the information of conservationists, sportsmen, and others interested in our shorebirds."

It therefore belongs to the first type of work that I mentioned; namely, work which has been turned over to the Department not because it is of interest exclusively to farmers, but because the Department has been thought well qualified to carry it on. Part of the work of the Bureau of Biological Survey, which prepared this bulletin, is concerned specifically with agriculture, and part is not.

This bulletin was published in continuation of a policy in force since 1886 of making public information on the economic relations of American birds. This information, in general, has been and still is the guide for legislation, both state and federal, relating to bird protection. It is what has enabled the United States to have the most logical and comprehensive code of bird protective laws in the world, and continues to be useful in pointing out the desirability or undesirability of changes in these laws.

All of the birds mentioned in the bulletin are protected by the treaty in force between the United States and Great Britain for the protection of birds migrating between the United States and Canada, and it is essential to have full information on the economic value of all such birds, so that proposals to change their protected status may receive enlightened consideration.

Farmers and others are constantly demanding changes in bird protective laws and regulations and with information available such as Bulletin 1359 is based upon, the Department of Agriculture is in a much better position to give prompt and just decisions in these cases.

I am glad that you came to headquarters to inquire about this bulletin. If you have any questions to ask at any time about the Department, let me know.



# The Business Man's PRIMER

3



**I** Is for Intelligentsia  
Whose bogey is "Babbitt"  
They're sold against gold  
Unless they can grab it



**J** Is for Jobs  
That go with each Law  
Including a junket  
And clerkship for Ma



**K** Is for Knocker  
Grinding his axe  
On all those who prosper  
Or pay a big tax



**L** Is for Luncheon  
A boon or a bore  
Get the safety-first habit—  
A chair near the door

HERE'S A CHANCE TO LET  
OUR READERS TAKE A  
CRACK AT THE REST OF  
THESE JINGLES AT OUR  
EXPENSE — \$10.00 FOR  
EACH ONE ACCEPTED!  
—  
P.S. WE'LL DO THE CARTOONS

THE  
Charles Dunn



# NATION'S BUSINESS

Published by the Chamber of Commerce of the United States

MERLE THORPE, Editor

Washington

March, 1926



## Facing the Facts

VICKERS, LIMITED, rode the crest of the war and post-war boom. They bought in a lot of subsidiaries at high prices. Then the slump hit them. They couldn't earn dividends on the inflated capitalization.

How did they handle the problem, which is the one that confronts some of our farmers as well as some of our manufacturers?

The stockholders voted to write down the assets of the company by 62 million dollars, reducing the value of the common stock from £1 to 6s. 8d. (\$5.00 to \$1.66).

Here's what one of the stockholders said: "We are asked simply to look facts in the face. As a considerable amount of the assets of the company has become of small value, we had better recognize at once that there is nothing to be gained by calling assets worth £1 when they are only worth 6s. 8d."

Some of the stockholders thought the Government ought to help them out, as part of the expansion had been to meet government armament requirements.

Here's what another stockholder said: "Never mind the political aspect or what the Government will do for us. Let's put our own house in order."

Sound advice?

## The Telephone 50 Years Old

THE United States is 150 years old this year, and Philadelphia will celebrate with a centennial and a half, which is the best hasty translation we can make of that sesquipedalian word, "sesqui-centennial."

But that's not the only anniversary of 1926. This year is the semi-centennial of the telephone. It was in Boston that the first spoken words passed over a wire, and the display received a public award at the centennial in the Quaker City, though it is recorded that it did not receive as much attention as the great Corliss engine, now long outgrown.

Few of those who saw it, had the vision of Bell, who in 1878 in a letter intended to arouse the interest of English capital in the invention, wrote:

It is conceivable that cables of telephone wires could be laid underground, or suspended overhead, communicating by branch wires with private dwellings, country houses, shops, manufactories, etc., etc., uniting them through the main cable with a central office where the wires could be connected as desired, establishing direct communication between any two places in the city. Not only so, but I believe in the future wires will unite the head offices of telephone companies in different cities, and a man in one part of the country may communicate by word of mouth with another in a distant place.

The English capitalists didn't believe it, and it is true that Bell did not know just how these things would be done. What Bell did know was that they would be done.

Few other great inventions are so exclusively American as the telephone. No other, perhaps, not even the automobile or the electric light, has done more to remodel our way of living.

## Mencken, Pro-Babbitt

OUR CAMPAIGN on behalf of the maligned Babbitt finds aid in unexpected quarters. H. L. Mencken, writing in the *New York World* recently, says:

My trade forces me into constant association with persons of literary

skill and aspiration, male and female, foreign and domestic. I can only report, after a quarter of a century of commerce with them, that I find them, in the main, very dull, and that I greatly prefer the society of Babbitts.

Nine-tenths of the literary gents I know are hotter for the dollar than any Babbitt ever heard of. Their talk is not about what they write, but what they get for it.

## Again the "Gospel of Goods"

BUSINESS in the United States has been assailed as supremely selfish, as worshiping money, as piling up wealth ruthlessly and as spending it barbarically for pleasure.

Twenty years ago Lord Morley, an observant Englishman with no love for wealth for its own sake, saw things more clearly.

After a great dinner in his honor, which drew newspaper comment on the wealth of the assembled diners, Lord Morley wrote:

Private munificence, moved by the spirit of high public duty, has never been shown on a finer scale than by American plutocracy working in a democratic atmosphere. Materialist, practical, and matter-of-fact as the world of America may be judged, or may perhaps rightly judge itself, everybody recognizes that commingled with all that is a strange elasticity, a pliancy, an intellectual subtlety, a ready excitability of response to high ideals, that older worlds do not surpass, even if they can be said to have equalled it.

Another recognition, and from a high source, that the "gospel of goods" is preached and practiced in this country as it never has been elsewhere.

## A Hardship of Government in Business

"A SUCCESSFUL enemy could not well have imposed a greater indemnity upon a conquered city."

Strong words spoken by a Justice of the Supreme Court of the State of New Jersey of the Government of the United States, and addressed to a Hudson County Grand Jury.

About what? The taking over by the federal authorities of the water front and piers used by German steamship companies. It was done as a war measure, but the war is over some seven years, and the Government still keeps the piers and leases them to private companies, but does not pay taxes. Each taxpayer in Hoboken, a city of only 75,000, finds himself called on to pay \$4 more for each \$1,000 of assessed valuation.

Justice Minturn asks this question:

"Why should the city, county and state be compelled to support this vast competitive commercial undertaking, with its vast revenue of rental receipts, at the expense of a few overburdened taxpayers of the small city?"

And thus answers it:

"The only answer vouchsafed to this inquiry is that the Shipping Board is an arm or agency of the Federal Government. If this were a governmental business, such as a navy yard, that answer would silence criticism; but since it is essentially a commercial undertaking, in competition with similar privately operated corporations, the answer lacks both force and sincerity."

Government in business, competing at the cost of the taxpayer!

## "Let Washington Do It"

"THE FUNCTIONS of government cease with the protection of life and property and the enforcement of contract."

How far we have gone since any statesman could seriously propose these as the limits of government powers!

Now government can do, and does do, almost anything. It teaches the farmer to farm and the housewife to cook; it heaps up statistics, and it card-indexes the expectant mother; it fixes railroad fares and the length of bed sheets.

A contemporary, *The National Spectator*, printed the other day a touching instance of government omniscience and efficiency. The incident was related in an article describing the



Children's Bureau of the Department of Labor. Not long ago, it seems, a messenger boy dashed—if messenger boys do dash—into the Children's Bureau with a telegram which asked "Shall I give my child castor oil?"

Was the Bureau daunted? Not for a moment! The message swiftly passed from hand to hand; from chief to deputy chief, from director to associate director, until it reached a wise woman in the Division of Maternity and Infant Hygiene, who promptly advised the worrying mother whether she should or shouldn't.

A wise parental government which stands ready to advise and regulate our every activity. Its ready wisdom is at hand on any subject from the alimentary canal to the Panama Canal—from colon to Colon.

Glance at the seventy-odd price lists of government publications. There is nothing your Uncle Sam can't tell you. Sex education and soap testing, cost accounting and home budgeting, adenoids and American history—all are available.

And when and where shall government stop, or shall it go on and on? "Experimental Measles in Monkeys" is a subject of importance, but shall our Uncle Sam carry on the experiment? "The Medicine Men of the Apache" deserve publicity, but shall the Government devote your income tax and ours to their investigation?

As a contribution to those who seek the answer to these questions, we call attention to the letter printed on page 30, in which Secretary Jardine sets forth the reasons for the devotion of his department to the "Food of American Phalaropes, Avocets and Stilts."

## Mass Production of Time

ONE OF the products of our modern industrial age is time, time in large quantities, time for employer, time for worker. Even the farmer works perhaps fewer hours in a year than he once did.

Proof that the worker has more of this commodity is found in the time card of the Cochecho Mills, of 1856, reprinted in the adjoining column.

Few of you who read this, work as long as did your father, nor did he in turn work as long as his father.

And we are producing vastly more.

If your father went to his office at 8 and stayed until 6, six days a week, with two weeks away in the summer, and you work from 9:30 to 5, five days a week, with an hour and a half for luncheon, six weeks away in the summer and a run to Florida in the winter, what has made the difference?

Modern ingenuity is part of the answer. You may damn the telephone as an interrupter of work, but suppose you made a personal call or a visitor came to see you every time you lifted the receiver or the bell rang! Letter-writing is so easy that many of us write needless letters, but suppose you wrote even the unavoidable letters with a pen! Suppose a horse-car, not an auto, took you to and from work.

Time is made in many ways, but what is America doing with it now that it has got it? Much of it goes for golf and other outdoor pleasures. Excellent in moderation, for undoubtedly they lengthen the lives of men, and the time given to them in turn makes more time, a beneficent, not a vicious, circle.

We "spend" both time and money. It is a fine thing to earn both of them honorably and spend both of them wisely.

## The Man Who Settled the Strike

THE anthracite coal strike has been settled, and settled by an unassuming business man, a man of whom this magazine and the organization it represents are proud. Richard F. Grant, upon whose shoulders fell the task of bringing to end the longest tie-up the hard coal industry has ever known, is a former president of the United States Chamber of Commerce.

"Modest and forceful," is the way the New York Times described him. To these adjectives might have been added, humorous. Nothing could be more delightful than Mr. Grant's description of the way in which various agencies undertook to settle the strike. It's worth reprinting:

When a coal strike develops, many champions of the people with political hopes start to develop ways and means to capitalize the situation for their own benefit. The first thing to do is to convince the people of their general love for humanity.

There is no publicity value in being a private lover, and so their love is proclaimed loudly. The next thing is to have a plan or to offer their good offices. This is done so that later, when the strike is settled, they can point with pride to their helpfulness. Hundreds of plans have been submitted. Generally they follow the plan of the Ten Commandments, the Episcopal marriage ceremony or Mrs. Rorer's cook book.

These champions of the people accomplish nothing except to confuse everything and everybody and prolong the strike.

Mr. Grant's action is a fine example of putting into practice the rule that business can best govern itself.

## ELEVEN HOURS A DAY!

TIME TABLE		
OF THE		
COCHECHO MILLS.		
MARCH, 1856.		
Arranged to make the working hours throughout the year average 11 hours per day.		
From March 1st to October 31st, inclusive.		
COMMENCE WORK at 6:30 A. M. LEAVE OFF WORK at 6:30 P. M., except on Saturday Evenings—		
BREAKFAST at 9 A. M. DINNER 12 M. COMMENCE WORK after dinner 12:45 P. M.		
From November 1st to February 28th, inclusive.		
COMMENCE WORK at 7 A. M. LEAVE OFF WORK at 7 P. M., except on Saturday Evenings—		
BREAKFAST at 9:30 A. M. DINNER 12:30 P. M. COMMENCE WORK after dinner 1:15 P. M.		
BELLS.		
From March 1st to October 31st, inclusive.		
MORNING BELLS. DINNER BELLS.		
First Bell, 4:30 A. M. Second Bell, 5:30 A. M.	Ring Out, 12 M.	
Third Bell, 6:30 "	Ring In, 12:45 P. M.	
From November 1st to February 28th, inclusive.		
First Bell, 5:00 A. M. Second Bell, 6:00 A. M.	Ring Out, 12:30 P. M.	
Third Bell, 6:30 "	Ring In, 1:00 "	
SATURDAY EVENING BELLS.		
During the month of March, Ring out at 2:30, and Again, Mar, June, July and August, 6:00 P. M.		
The remaining Saturdays in the year, as follows:		
<b>September.</b>	<b>November.</b>	<b>January.</b>
First Saturday, 6:00 P. M.	First Saturday, 4:23 P. M.	First Saturday, 4:11 P. M.
Second " 5:55 "	Second " 4:14 "	Second " 4:18 "
Third " 5:42 "	Third " 4:07 "	Third " 4:27 "
Fourth " 5:30 "	Fourth " 4:01 "	Fourth " 4:35 "
Fifth " 5:17 "		
<b>October.</b>	<b>December.</b>	<b>February.</b>
First Saturday, 5:00 P. M.	First Saturday, 3:59 P. M.	First Saturday, 4:45 P. M.
Second " 4:54 "	Second " 3:52 "	Second " 4:55 "
Third " 4:43 "	Third " 3:58 "	Third " 5:03 "
Fourth " 4:32 "	Fourth " 4:01 "	Fourth " 5:15 "
Fifth " 4:22 "	Fifth " 4:00 "	
[P] YARD GATES will be opened when the bell for commencing work begins to ring, and closed when it stops tolling. RAINING in Yards will ring 3 minutes, pause 3, and toll 3 minutes, when all Mills must be in. Mill GATES will be opened when the last Bell begins to ring.		

Preach the "Good Old Times" if you like; then look at these mill regulations, and agree that the world moves forward. It is a tribute to better method, better management, that we can have more goods with less labor.



# Dispelling Myths About Patents

By GEORGE H. CUSHING

Cartoon by Charles Dunn

"I'VE GOT a great little idea for an invention. I'm going to patent it and live on Easy Street the rest of my life."

"Brother, you are sleeping on your back and your snores are disturbing the peace. Did nobody ever tell you that some smooth citizen would steal your patent before you had carried it a half mile from the Patent Office? How many inventors ever made a million? Answer me that, will you? Who makes the money—the inventor or the man who pockets the patent?"

"You don't get me. A patent is a monopoly, isn't it? It is given by the United States Government to the man who made the discovery, isn't it? Well, then, how can anybody steal it?"

"Big Business can. Big Business will steal your idea and invite you to spend your idle money on lawsuits. That stops most inventors on the hop-off. But, if you prove game and actually start court action, they prove by a dozen witnesses that they were working on exactly your idea long before you were born."

That's a cross-section of the popular state of mind about patents. You can hear such talk duplicated almost any day. It expresses the conviction of many persons that most manufacturers are patent thieves; they have no ideas of their own but steal those of others. The truth is that many manufacturers believe that a patent is far too dangerous to fool with. Some of them believe that if they develop a device, other manufacturers will steal it. And, still others believe that when they buy a patent they buy a lawsuit—that somebody will try to blackjack them out of their profits.

## Rather a Moot Subject

IT IS rather a moot subject, therefore, about which I arise to say a few words, after having had a little practical experience. That is, the Bureau of Patents has allowed some of my strongest claims; I have perfected my device; and, I have negotiated with manufacturers to dispose of the rights.

It must be understood that I am not undertaking to give human nature a clean bill of character. People, occasionally, rob banks and jewelry stores. Also, occasionally, a minister of the gospel is hanged for murder. That is, in the presence of temptation, some men are bad. Some patents are valuable.

Anything that is valuable is stealable. And, there are men left in the world who have the theft complex. I have no doubt, therefore, that, occasionally, a patent is stolen. But, the extent to which it is done is "greatly exaggerated." Take the most

common belief, for example. Probably no man has in recent years ventured into the Patent Office without being told by somebody that the big corporations have their own men on the "inside" to tip them off to anything new along their line. I was told, frankly by a friend:

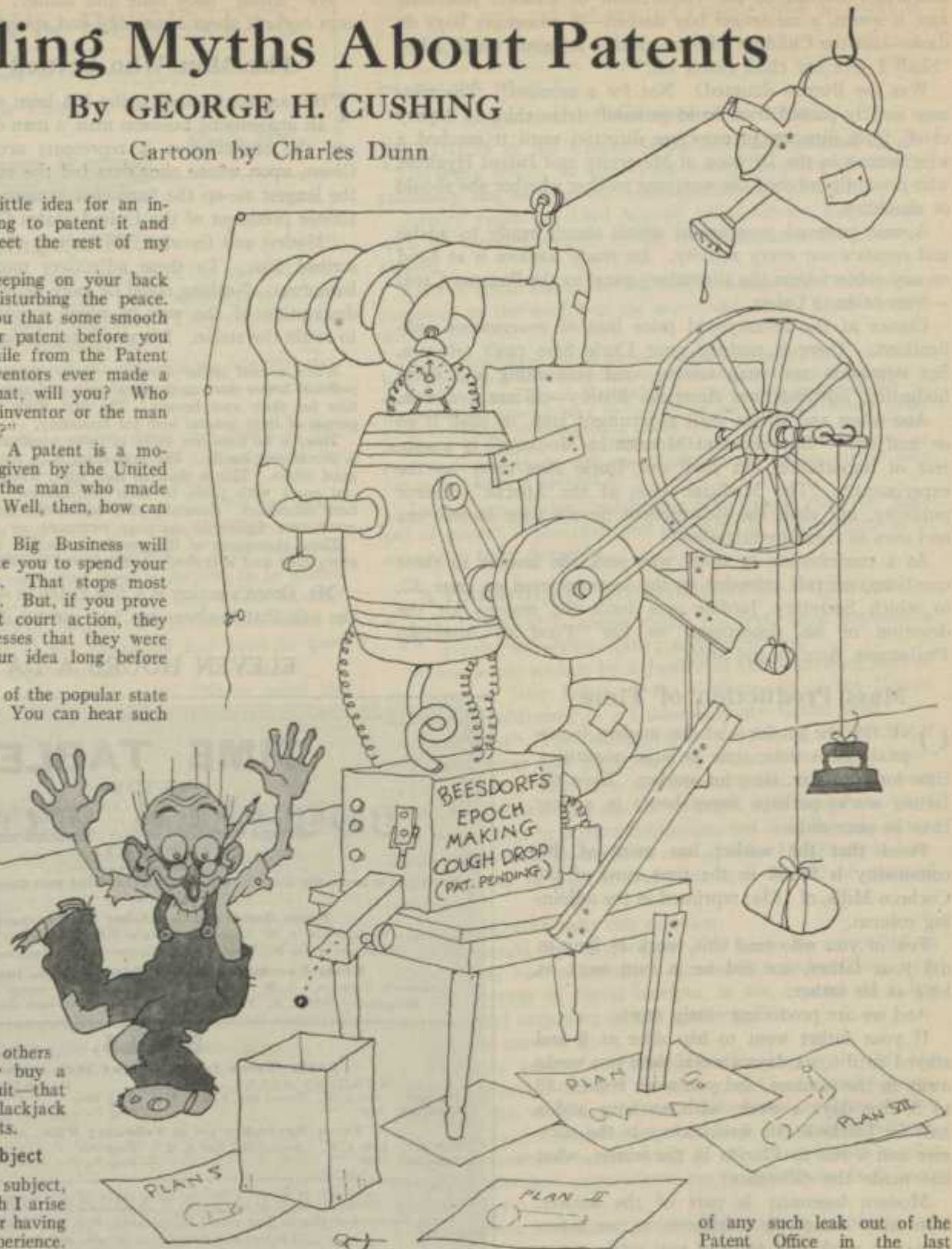
"I have a 'buddy' in the Patent Office. I can get you any information you want about what your competitors are doing. And, of course, that means that the 'big boys' will know all about your device within thirty-six hours after your first papers are filed."

That scrap of conversation gave me chills and fever for three days. Then I investigated. So far, I have located just one case

of any such leak out of the Patent Office in the last twenty-five years. Two men were involved. One of them after being caught hardly hesitated on the road to the Federal Penitentiary. The other has avoided the penitentiary by hiding for years in foreign countries. I concluded that such occurrences are a bit too remote to cause me to lose sleep while fearing them.

I was told, of course, that somebody would steal my idea if I dared disclose it to anybody. That may be true but it isn't easy to disclose a new idea. For instance, I have always had a welcome for visitors, a fondness for looking on the humorous side of things, and no conscientious scruples against paying the lunch ticket.

I used to have some friends. But when I began to talk about my invention, these







"Big Business will steal your idea and invite you to spend your idle money on lawsuits." That's a cross-section of the popular state of mind about patents



friends began to move around the circumference of an ever-widening circle with me as the center. They may still like me personally but they refuse to be bored by a nut who insists upon discussing his invention. I conclude that if men will not get close enough to an inventor to listen to him talk about his invention, they certainly are not bent upon stealing it.

I am sufficiently immodest to say that my device is a rip-snorter. And, there is a market for millions of them every year. You know, of course, what that means. But, to perfect it, I had to do two things. One was to work out the whole theory, including the mathematics. The other was to make the actual working model.

#### Didn't Warm Up to the Idea

THE FIRST was a laboratory job. On the second, I had the choice of two methods. I could work with a manufacturer, skilled in doing that sort of thing. Or, I could go to untrained machinists in a general machine shop and teach them how to make what I wanted. The practical solution seemed to be to go to the manufacturer. And many of my friends advised me to do it. In fact, I tried it but soon gave it up. The manufacturer didn't warm up to the idea.

I don't want to leave the impression that the American manufacturer is slow to take up new ideas. On the contrary, he knows that everything worth while is, generally speaking, the product of evolution—the result of gradual change. That's one phase of the question. The other is that I recently met a manufacturer who had turned down seven-

teen proposals in one day and had received an average of six a day for over two years. I conclude that when new ideas are so abundant and cheap, most manufacturers are not likely to get close enough to the owner of an unfinished dream to steal his stuff.

I came nearer to understanding the manufacturer's real point of view when I was trying to materialize my invention. I knew, of course, that every mechanical appliance is an expression of some branch of science. I knew that anything scientific is reducible to mathematics. I had worked out, therefore, every detail to mathematical certainty. But, when attempting to translate that certainty into a working model, I was brought to a dead stop on ten separate occasions. To get around the wreck of my failures, I

had to destroy the work of months and start from the ground. I conclude that busy men are not anxious to steal that sort of grief.

While I was passing through the tortures of primary production, I needed one part. I have heard often that one certain concern which makes such things is a notorious patent thief. My

growing belief that business people do not steal patent ideas made me so bold that I wrote to this "outlaw" concern and asked it to make that part for me. If it was a thief, that was its time to start the stealing. Instead, a department head wrote saying that they would not make the part for me because the thing I wanted to do could not be done.

Finally, when my invention was near enough finished to allow me, while keeping my self-respect, to talk business with manufacturers, I started negotiations in a number of directions. I am a journalist by profession. I am trained to hear what people say to me. I am trained to understand what they mean. In all of these negotiations, I have yet to scent so much as a thought to steal my device. And, only one concern even said anything suggestive of "High Finance"—a devious process by which, in the end I might be tricked out of its control. But when I smiled, as much as to signify that I was familiar with that trick, even that suggestion was abandoned.

As I plod along, I find this to be true. It was the monopoly right to an idea which gave to patented things their reputation for business immorality. That is, when one had a monopoly and tried to hog the market, he invited reprisal by other manufacturers. It was business war, in brief. Much of this has been removed by the modern method of cross-licensing—allowing your competitor to make and help distribute the patented thing.

Taking all of these things into account, I am firmly convinced that this talk about manufacturers being a band of patent thieves is a lot of bunk. Still, most inventors fall

far short of reaping the full reward for what they do. But, that is accounted for by other things than theft.

I can illustrate by my own invention one reason for such failures. As I have said, millions of articles like mine are being made annually. Mine differs from all the others in only two vital particulars. It would be possible to adjust my two essential parts to the old designs, or I could disregard practice and insist upon an entirely new design.

Upon the design I adopted would depend whether the manufacturer must scrap all of his equipment or merely scrap a few tools on his standard machines. Of course, I adopted the design which would involve the manufacturer in the least expense. I fear that all inventors are not equally practical.

I am no brighter than thousands of other inventors; sometimes, on the contrary, I believe that I am a little thick. But, I did realize that before I could finish my own devices for proper demonstration, I must manufacture at least a dozen of them. I realized that a machine which would make a dozen, would make a million.

#### What Many Inventors Overlook

THE BIGGEST reason of all why inventors fail is that they do not protect themselves and their concessionaires in the most fundamental of matters.

In my own case, I was one of the most hopeless tyros who ever entered the Patent Office. I knew nothing about such things. No generalities go; each little word and each little line in the drawings has its own meaning and purpose.

It took months of work and cost hundreds of dollars to write the papers and make the drawings which would give me the protection to which my discovery entitled me and my concessionaires. To protect an invention properly demands the most precise writing and drawing known to the art of expression.

This becomes evident the moment you consider what is involved. The Federal Government undertakes to give to an individual a seventeen-year monopoly of the right to use, for his own enrichment, a given idea. In the Patent Office are some of the shrewdest men I have met in many a day. They must see that the inventor delimits precisely the idea for which he asks a monopoly for practically a generation.

When the inventor wants to pass this right on to another, he faces the fact that the courts have ruled finally on some thirty-five distinct and separate points. If the concessionaire is to be protected, all the points must be covered in the contract of concession.

Looking back, I realize that I have spent what, a few years ago, would have been a small fortune. I have drafted patent papers, the precise wording of which all but overtaxed the trained capacity of a veteran journalist. I have decided legal questions which annoyed a battery of high-powered attorneys.

All told, I have made more important decisions than fall to the lot of an ordinary business executive in a quarter of a century. In those things there were worlds of room for failure. And, if I fail finally, I may save my face by yelling "thief" at some passing manufacturer. At his expense, I may establish my alibi. So, finally, I conclude that if there is any generalization which is possible it is: Manufacturers are not patent thieves. Generally speaking, inventors fail because putting over an invention is a great whale of a big business undertaking, and they are not equal to it.



# Up to the Top in One Generation

*The Story of the Men Back of a Great Industry Which Twenty-five Years Ago Was in Its Shirt Sleeves at the Work Bench*

By HENRY SCHOTT



PHOTOS BY  
LAZARICK AND  
MAJOR MAXWELL



This city was built by the automobile

**W**HEN the man in the shiny black suit and grayish shirt-front took three white rabbits and four fluttering pigeons right out of his left sleeve—that was about the greatest thrill of my young life. Unforgettable!

Never anything like it again; never until I saw the newest, greatest industry of our times come out of the sleeves, shirt-sleeves—hickory shirt sleeves—and still coming out of them right now. Endless streams of glittering motor cars, pushing forth like the yards and yards of silk that floated from the magician's pocket.

Shirt sleeves did the trick in Detroit. Men from the bench. Every-day working mechanics and shirt-sleeve salesmen, order-getters. One generation of them built a business that made and sold three billion dollars worth of merchandise, wholesale value, last year.

## They Started From Scratch

**N**OT what could be termed a silver-spoon man in the entire lot! As a lot they started from scratch. Even the two or three who picked up a college education while on the march smashed their way into the horseless-carriage game without influence or invitation.

Spend a few days around the automobile plants and offices, gossip with the townspeople, talk with the men at the top and you will conclude that Marmaduke the Marvelous with all of the pets and poultry he pulled out of his cuffs, never gave boyhood a greater thrill than one gets today from these wonder people of Detroit, not to forget Flint and Toledo and any other place that pour out motor cars.

Ford, Olds, the Dodges, Everitt, King, Briscoe, the Fishers, Macaulay, Chrysler, Chapin, Haynes, Chalmers, Willys, Coffin,

Nash, Leland, Hastings, Waterfall, Hupp, Maxwell!

You may have to think twice to associate some of those names with the automobile, for here and there a pioneer has dropped out, but in the main the ones that were guessing and planning, but always working, twenty-five years ago are still grinding ideas and results today. They are the ones who took hold of a conception of European engineers—the gas engine came from across the water—and developed it to a point where the manufacturers of the old country, with all their training, cannot compete.

These American workmen and organizers build you a finer carriage than the Brewsters and Broomes ever conceived—electric light, heat, air cushions, air wheels, oil shock absorbers, hydraulic brakes, and the power of 30, 40 or 50 horses hidden under a hood—and sell the whole to you for less than your father would have paid for a brougham.

The shirt-sleeve men did it and are con-

tinuing to do it. You remember those good old days of low prices before the war, before it took a dollar and sixty-seven cents to buy a hundred cents worth? Today an automobile costs 30 per cent less than in 1913 and is about twice as good. The farmer paid 1,482 bushels of wheat for the average car in 1913, against 506 bushels last year. That's the way it figures.

## Bankers Took No Chances

**A**MERICAN mechanics and traveling men did that with no outside help and little or no backing. In the early days the bankers took no chances with this horseless-carriage crowd. The builders had to do their own financing and the result was that the business from the beginning was on a cash basis. Build a few cars and ship them with bill of lading attached in order to get hold of enough money to make the next batch! Today that trade custom still holds; the dealer pays cash on delivery. That compelled the shirt-sleeve crowd to work close to the wind, watch every corner, and also did much to make the industry what it is.

R. E. Olds, among the very first of the hickory-shirt group, turned out a gasoline-driven car before he was 30. That was in the early nineties. In Detroit it is the tradition—and tradition is rapidly growing about the trade—that Henry Ford, the Dodges, Couzens, Leland, the Fishers, Durant and others all had a hand directly or indirectly, in the early Olds output. Benjamin Briscoe made the radiator for him, Everitt did his upholstering and Chapin, now head of Hudson, quit Michigan University to become a demonstrator at \$35 a month. Leland, who



afterward brought out Cadillac and later Lincoln, made the Olds engines; he learned his trade back in Worcester, Mass. All shirt sleeves.

About that time Charles W. Nash was still farming in Illinois and broke into the game as a carriage trimmer in Flint. Before he got through with Flint he was president of the Buick Company and is now the head of his own company.

John Willys was selling bicycles in Canandaigua, one of the prettiest and quietest little towns in New York State, moved to Elmira, and decided automobiles would be a good side line. He eventually bought the Overland plant, then in Indianapolis. No record of a rich father forcing him along.

Alvan Macaulay—most of these men are still young—was just coming of age when Olds and Ford and the Detroit group were starting. While not from the bench, having had two years at Lehigh supplemented by a law course in Washington, he went into selling with the National Cash Register, from there to the Burroughs Adding Machine Company, and in 1910 to the Packard Company. President since 1916.

#### Dodge Brothers Were Shop Men

**H**OWARD COFFIN had been at the University of Michigan when he went to Olds to take charge of experimental work in the factory. He learned the automobile from the bench to the owner and applies what he learned in the Chalmers and Hudson plants.

The Dodge Brothers were bicycle machinists when they went with Ford; smart, hard-working shop men. When they began for themselves, there was in the business world a question as to whether these two workmen, even with the millions that had come to them from Ford stock, possessed the necessary executive ability to be successful in their new venture.

The Dodge Brothers Company is the answer. The shirt-sleeve start does not prevent a grasp of the big things.

And when the two brothers began

on their new plant they went to a railway car and foundry plant next door and grabbed Arthur T. Waterfall, another overalls graduate, for superintendent. Waterfall is now vice-president. He learned his trade as a machinist and picked up a lot more on the side. There is not a shop operation in the making of his car that he cannot take a hand at, if called upon.

All earnest historians should spend a few days

PHOTOS BY  
LEZARNICK,  
N. Y.



Henry Ford at the helm of the first Ford touring car. Left: Edward Haynes in the first Haynes

traditions. They go something like this: "That man I just spoke to—happen to notice him? He was teaching in a business college when Henry Ford asked him to open a set of books for him.

Took ten shares of stock for his pay and he drew \$520,000 a year dividends—just ten thousand dollars a week—until he sold out to Edsel Ford for eleven million dollars. And he's a mighty nice fellow; I play golf with him.

#### First Hub Caps

**"T**HE gray stone house is Hebart Bilting's. He was running a bicycle repair shop and made the first hub caps for Ford and took stock in payment. (Here insert your own figures as to the resultant annual income and amount for which he finally sold.) Now he puts in most of his time on the Board of Education and racing speed boats.

"The Flicker building is going up on this corner. Eustace Flicker was a carriage greaser in a livery stable where the Sixth National Bank now stands. He went in the Ford lubricating department for \$40.20 a month and developed a scheme whereby the car is oiled, greased and tank filled while it is being assembled and it moves off on its own power. He

Right: The first Hudson with Howard Coffin of the Hudson Company. Below: J. W. Packard piloting a 1902-model Packard



gets \$300,000 a year and he is now working on an internal combustion gas and electric locomotive that Ford is going to use on his railroad. It will pull a hundred and ten loaded freight cars on a total fuel cost of about half of what grease costs in steam engines.

"Ford is going to make his railroad four-track half of the way and eight-track the rest. The road bed is going to be solid concrete with hard wood blocks to take the shock. The rails will be corkscrew shape and simply by turning them over they can be used three times.

"That's a Detroit-Edison power station. Ford worked there as an engineer. Now one of his plants uses more power than all of Detroit when he was in the engine room.

"By next spring he'll have more than a hundred thousand men working at River Rouge."

### Interesting Personalities

ALL OF it based on truth and none of it intentional exaggeration; only the result of a desire to make interesting personalities more interesting. Much of this gossip will be accepted as hard facts by the next generation and the history of the hickory-shirt automobile men of the present will cause the ambitious young men to long for the days when there was still a chance for a fellow.

But there is one oft-repeated tale one hears wherever the industry is discussed that has no element of exaggeration and none of the trimmings of tradition. It is about Henry Ford and all of them say it is one of two or three fundamental ideas that had the greatest influence on the industry's development. In the days when Olds and King, Deland, Ford, Apperson and other Americans and Benz, Daimler, Panhard, Levassier and other Europeans were groping about, the horseless carriage cost from \$3,000 to \$12,000 and was a recreation vehicle for the rich. All of the makers had the closed carriage class in mind.

Then Ford, the machinist, brought in a revolutionary thought. He decided to forget the "Home, James!" and to build something that would take the place of the red-wheeled buggy; he would cater to the people who lived in the two-story frame house and who might use the family horse in business during the day and take the folks for a ride on Sunday.

That was Ford's own idea and all of the manufacturers give him full credit for it.

The whole mass and line policy of producing as it exists today developed from that thought. It made the automobile an article of low price and usefulness, a vehicle for the millions instead of the few. He believed it would take the place of the horse and it has.

That idea, and the imagination and courage to believe in it, was the greatest single contribution to the business. Seems simple today, but looking back twenty-five years one wonders at the daring of the thought! An automobile for the price of a buggy.

The men in the business themselves, on the other hand, are conservative in their statements about themselves and their business. There are the Fishers, a powerful factor in the whole industry and not alone for their body-building activities. They are almost unknown to the general public. Shirt-sleeve men who knew exactly how to do a first class carriage stripping job long before the automobile was on the street. Seven brothers and an example of a family that works together, pulls and sticks together. "They attend to their own business and that's all they ask of others," one of the local word-of-mouth historians told me.

"All the time they have goes to work, homes and church. Hardly ever see them in a public gathering or in the newspapers. One man insisted on writing their lives—a history of the family—and was so persistent that there was at last a revolt and he did well to escape with his own life."

### Orderly, Unceasing Action

THE MEN who came to the top in the industry drove themselves to it and by the same token they are drivers. It is no place to take a rest, or even a long breath. The very spirit of it is motion, progress and this air of orderly, unceasing action is apparent even to a casual visitor viewing the plants from the outside.

"Hesitate, slow up, be satisfied and you're gone in this business—sunk before you realize it" was the way Waterfall of Dodge expressed it. "You can't stop moving for a minute. Improve your product and reduce the price is what everybody has constantly before him. Better machinery and lower cost of sales and production are problems always before us—improving methods all around.

"Only a year or two ago thirty men produced a car where eighteen do it now. Every

reduction in price widens the market and every new highway means an expansion. You've got to go ahead or fall out in this business."

### Best Paid Labor in Country

WAGES in the automobile shops average higher than, possibly, in any other industry. The best paid labor in the country is said to be in Flint, Michigan, a community given over to automobile building. England, France and Germany have all the advantages where wages are compared.

France and Germany had a start in the business when the Americans were still thinking bicycles. They are nearer to the foreign markets and export trade is an old story to them, while the Americans are trying to learn it. Then there is the matter of technical training, both of workmen and executives. The wonderful craftsmanship of the European artisan and the organizing ability of the principals are frankly recognized here; another advantage.

The foreign builder is not conceding any part of the export trade to the American. In England they announce that they are going to build cars against America and some suggest erecting a plant for popular price machines over here. In France, Citroen makes a low-price car that he believes should compete with American cars in foreign fields.

One manufacturer told me that he expected very definite competition in the foreign field as the European builders put in American shop methods. Others had a "let-em-go-to-it" attitude, reasoning that the mass production idea would not for many years be applied in Europe. He explained:

"It doesn't come natural to workmen or employer over there. The whole plan is against all their traditions and practices."

He showed me a building with a sign advertising "discontinued machinery." Every large plant has an outlet of that kind—a place to dispose of machine tools in perfect condition, but discarded because someone has developed an improvement that seems a saving in manufacturing.

Junk \$15,000 worth of goo? tools to save fifteen cents more on a car is the policy of these plants and it pays. Never satisfied, they are crowding the machinery builders constantly for tools to cut production costs.

Tomorrow is the day of the American automobile manufacturer. Yesterday and today are history.



BROWN STU. N. Y.

When the auto was a youngster, a contest was held on Riverside Drive, New York, to determine which could stop quicker, the horse and carriage or the horseless carriage. The horseless carriage won by a nose. Derbies and Oxford bags were worn by the judges and the cameraman.



# Congress and Business—The Record

By WILLARD M. KIPLINGER

CONGRESS is now half finished with its current session, for the best judgment at the Capitol is that adjournment will be in June. Entrance of the United States into the World Court has been approved, and a new lower program of taxes for the next two years has been agreed upon. Appropriation bills have been advanced satisfactorily.

Numerous measures of great importance to business have been carried through the laborious processes of committee hearings, and are coming up on calendars of House and Senate for the show-down of voting strength. A few bills of major importance remain to be introduced, but most of these are substitutes for measures already presented, redrafted to effect compromises worked out in private canvasses of congressional or administration sentiment.

In order not to be misled in your own independent observations of Congress, you should bear in mind these points:

(1) Most bills are smothered in committees by inaction, not voted down on the floors of the House or Senate.

(2) Passage of a bill by one house is anything but assurance that the other house will approve; it is common policy for one house to clear its hands of a measure, with the private understanding that the other house will delay action indefinitely.

(3) Many measures which do not come to their first vote in one house or the other within the next thirty days will be in precarious position when they encounter the inevitable legislative jam and log-rolling tactics which will prevail in April and May.

(4) Bills retain at the end of this session whatever stage of progress they have made, and will be taken up at that stage when the second session of the Sixty-ninth Congress convenes next December. But that will be a "short session," ending in March, 1927, and action on ordinary measures will be doubly difficult.

## Independent of Dictation

OBSERVATIONS in this discussion are limited mainly to the present session, for action at the next session will be influenced strongly by fall election results, determining whether Republicans or Democrats control the Congress of 1927-8.

Many claims are being made that the Administration does, or does not, have control over this Congress. This is distinctly a relative matter. My observations so far make me think it is a Congress fairly independent of executive dictation.

There are three aspects to the current tariff situation: (1) Actual revision of rate schedules, which is improbable; (2) amendment of the flexible tariff to make it more flexible, which is possible, and (3) investigation of the Tariff Commission's internal dissensions which have made it relatively ineffective as an agent for flexible tariff.

## Tariff

This last seems quite probable. The Republican majority, backed by the Administration, wants to steer clear of the tariff question at this session and the preponderance of sentiment in Congress is along this line. There is a growing dissension between high protectionists and moderate pro-

tectionists in the Republican party, and, in my opinion, President Coolidge is preparing to line up with the latter.

The high protectionists as a group are satisfied with the present tariff, although certain groups of them want to push rates higher. The moderate protectionists are talking about initiating a movement for "readjustment," mainly downward, at the next session opening in December. If next fall the Democrats win control of the Senate (which would convene in December, 1927), then there will be a division of opinion among the Republicans as to whether they ought to revise the tariff a year hence, while they have nominal control of Congress, and thereby beat the Democrats to it, or whether they should leave the responsibility to the Democrats in 1927-8. I am inclined to believe they will attempt it at the coming short session of 1926-7.

## Situation Is Psychological

I DO not give credence to the claims of some Democratic leaders that they can force tariff revisions at this session. Nevertheless close attention is due their plan to attach a series of low-tariff proposals as riders to certain relatively minor revenue measures, probably in the Senate. These tactics should be evident soon. They will cause anxiety in scores of industrial lines, and will bring legislative representatives scurrying to Washington. Many are already here.

I should say, therefore, that the tariff situation is psychological, but nevertheless a situation. It is the beginning of the inevitable fight for lower schedules, less protection, encouragement of imports, and reduction of international exchange differentials.

The flexible tariff has not flexed much, and most flexing has been upward. There are two reasons:

First, the Tariff Commission, which is supposed to furnish the President hard facts for his guidance and the exercise of his judgment, has been and still is deadlocked between advocates of high protection and of moderate, or scientific, or "common sense" protection.

Second, hard facts are not easy to determine, and there has been dispute over whether facts were facts. Many foreign costs of production are unobtainable, and foreign manufacturers have been incensed at the legal spying of American tariff agents. So there has arisen a demand for legislation to permit the Commission to consider invoice prices and other readily ascertainable elements as the basis for calculating the competitive margins between foreign and American-made goods.

Investigation of the Tariff Commission by Congress would shed light on the reasons for its dilatory action, and would show the extent to which redefinition of the basis for determining foreign competition is necessary. Conservatives in Congress want no investigation; liberals do. At present the chances are that the latter will win. There is talk about abolishing the Tariff Commission, but this will not happen. Its most constructive but unspectacular work these days is in collecting data for the guidance of Congress when a new tariff is made.

A block of mid-western agricultural states producing wheat, corn and hogs, demands legislation creating governmental machinery

for raising and stabilizing domestic prices by segregating exportable surpluses, selling abroad at lower world

prices, and meeting the loss by distributing it over producers through an excise tax, or some equivalent. They have organized for a five-year fight. They are mainly Republican states, their leaders are Republicans and are nominally sympathetic with the Administration. The Administration does not want the excise tax, or any thing closely resembling it, but is playing ball with the surplus advocates.

Organized business is opposed, asserting that the claims of economic merit are fallacious and that the legislation ultimately will give the farmers little relief from market uncertainty. The agricultural South is indifferent, but the surplus bloc of the West is trying to form a coalition. Agricultural interests are not in accord on the desirability of this legislation. Their attitudes "by resolution" show a good front, but behind the scenes they have many weakening reservations and divisions of opinion, particularly among the cooperative marketing associations themselves.

## Alternative for Excise Tax

AN ALTERNATIVE for the excise tax is some form of government assumption of the export loss, but this is politically inexpedient. Another compromise is based on storage of the surplus, with indirect government financing. This, in my opinion, is politically possible, but the merits have not been established, and in the long run it probably would not satisfy the surplus bloc.

I see nothing ahead for this legislation except a deadlock over the essential principle at this session, and possibly enactment of some half-way measure creating a Federal Farm Board, a sort of "federal reserve system for agriculture," with somewhat undetermined and vague authority over the surpluses. It might be called the Dickinson bill, but it would not be the present Dickinson bill. The fight then will continue into the congressional elections next fall, and perhaps into the presidential elections two years hence.

The Administration's program is for reorganization of production schedules, shifting of crops, stronger marketing associations, and eventual elimination of surpluses. To this end a stronger cooperative marketing division will be created by legislative authority in the Department of Agriculture.

The political aspects of this problem are complicated. Midwestern states threaten to leave the Republican party if their demands are refused. I can not believe this will happen yet, for the Democrats are giving little party support to the surplus proposal. The Democrats hope to appropriate the entire organized support for surplus, and turn it into tariff reduction as an alternative.

"If the farmers can not get artificial protection for their sales, then let them demand lower prices for their purchases by means of eliminating the artificial tariff protection on manufactured articles." This



position has real strength behind it. The Administration knows it, the industrial East knows it, or should know it, and the threat of farmer-support for low tariff is a great stimulus for giving continued thought to the perplexing surplus problem.

The new tax law is on the books for two years, and another substantial reduction will be possible then, even though tariff is revised meanwhile.

The World Court was ratified; there was never any real doubt about it among those on the inside here. All foreign debt settlements will be approved, I believe. Ratification of the Turkish commercial treaty may come at this session, although I am none too sure about it, for the question has really not shaped up yet.

The McFadden-Pepper branch banking bill got through the House satisfactorily, but in the Senate the fight is stronger on the controversial Sec. 9, which in effect would bar from participation in the Federal Reserve System state banks that establish new branches outside localities hereafter. On the strict issue of branch banking outside localities, an overwhelming majority in Congress is opposed, but the dispute is over method.

Independent bankers, led by the Comptroller of the Currency, who acts in the interest of national banks, want a flat mandate, and therefore insist on Sec. 9. Antagonists of this section base their opposition on the claims, (1) that the Federal Reserve System should not have its future policies made for it by Congress, and (2) that some extension of branch banking, under "proper regulation" may be economically desirable in the future.

Senator Glass, former Secretary of the Treasury, and sponsor of the law creating the Federal Reserve System, is the principal opponent on the first grounds. Big California banks, with their far flung branches, are the main opponents on grounds (1) and (2). Issues, motives and tactics are all tangled up. Both camps have strange bed-fellows.

I think the bill will be passed at this session, but probably with some amendment of Sec. 9.

A careful study of the whole subject of the relations between the dual systems of state and national banks, and their future courses, has been proposed and seems to have much support in Congress, but so far the interest is somewhat vague. The question of rechartering of the Federal Reserve banks when their terms expire in 1934 is inactive in Congress.

The blue sky bill to regulate issuance of securities will continue to sleep. The bill to prevent bankruptcy frauds is progressing and has much support, although so far this has been inadequately organized.

Prospects are favorable for passage of the Watson-Parker

bill to abolish the Railroad Labor Board and to set up in its place a system of adjustment boards. The Cummins railroad consolidation bill has too few hot friends to have made much real progress toward enactment.

About the Capitol there is a disposition to let the railroads consolidate without any new fixed code of procedure and to rely on the Interstate Commerce Commission to work out the complicated problems. The Gooding bill to abolish the system of charging higher rates for short hauls than for long hauls in the same direction to meet water competition is strong in the Senate and weak in the House.

There is a favorable attitude toward the proposal to regulate interstate motor-bus traffic (passenger) through joint action of state utilities commissions and the Interstate Commerce Commission, but there is much opposition to comparable regulation on truck traffic (freight). Adjustments and compromises on the latter can be arranged.

Political support is growing in Congress for a proposal to reorganize the Interstate Commerce Commission along regional lines, but there is hardly enough to put it over this session. This is tied up with the long-time drive of the agricultural interests to get lower freight rates for their bulk products, and of a variety of other interests to obtain lower preferential rates on shipments to seaboard for export.

The present disposition of Congress is to do nothing about reducing postal rates, but the joint postal commission is now getting

into action, and I believe the pressure from publishers (on second class) and farmers (on parcel post) will result late in the session in legislation for some sort of reorganization on the postal service to effect economies which can be passed on in the form of lower rates at some future time, perhaps next winter.

Such lower rates will be mainly by reclassification of second, third and fourth class matter. The politically powerful rural mail carriers are going to face a hot fight for reorganization of rural routes, with support for this from organized agricultural interests. The fight will be one of the noteworthy situations of the jam near the end of the session.

Two kinds of proposals are pending: (1) To create a government fact-finding agency on coal, mainly the Oddie bill. This has probably started too late to get final action at this session, although it may get through the Senate. (2) To give the President power to deal with emergencies, such as the anthracite strike.

The Bingham-Parker bill to create a Bureau of Civil Aeronautics in the Department of Commerce has passed the Senate and probably will pass the House. Within a year hundreds of American cities will be at work on local aeronautical port developments, getting ready for air lines. The situation reminds one of the era of railroad extension two generations ago.

The White bill to give the Secretary of Commerce much-needed legal authority over broadcasting will have difficulty in getting through the Senate, due to inertia rather than opposition.

I think no retail price maintenance bill can pass either house at this session. A comprehensive merchandising chandise misbranding bill might squeeze through, but it lacks effective concentrated support. A small appropriation to start a census of distribution next year is entirely possible. A permissive bill to lay the basis for use of metric standards in weights and measures has many friends and few enemies. A number of other bills are pending to establish standards for weights and bulk measures.

Eventually this will be leased for private operation, and probably for a combination purpose

of power and nitrates (fertilizer), but there is great uncertainty

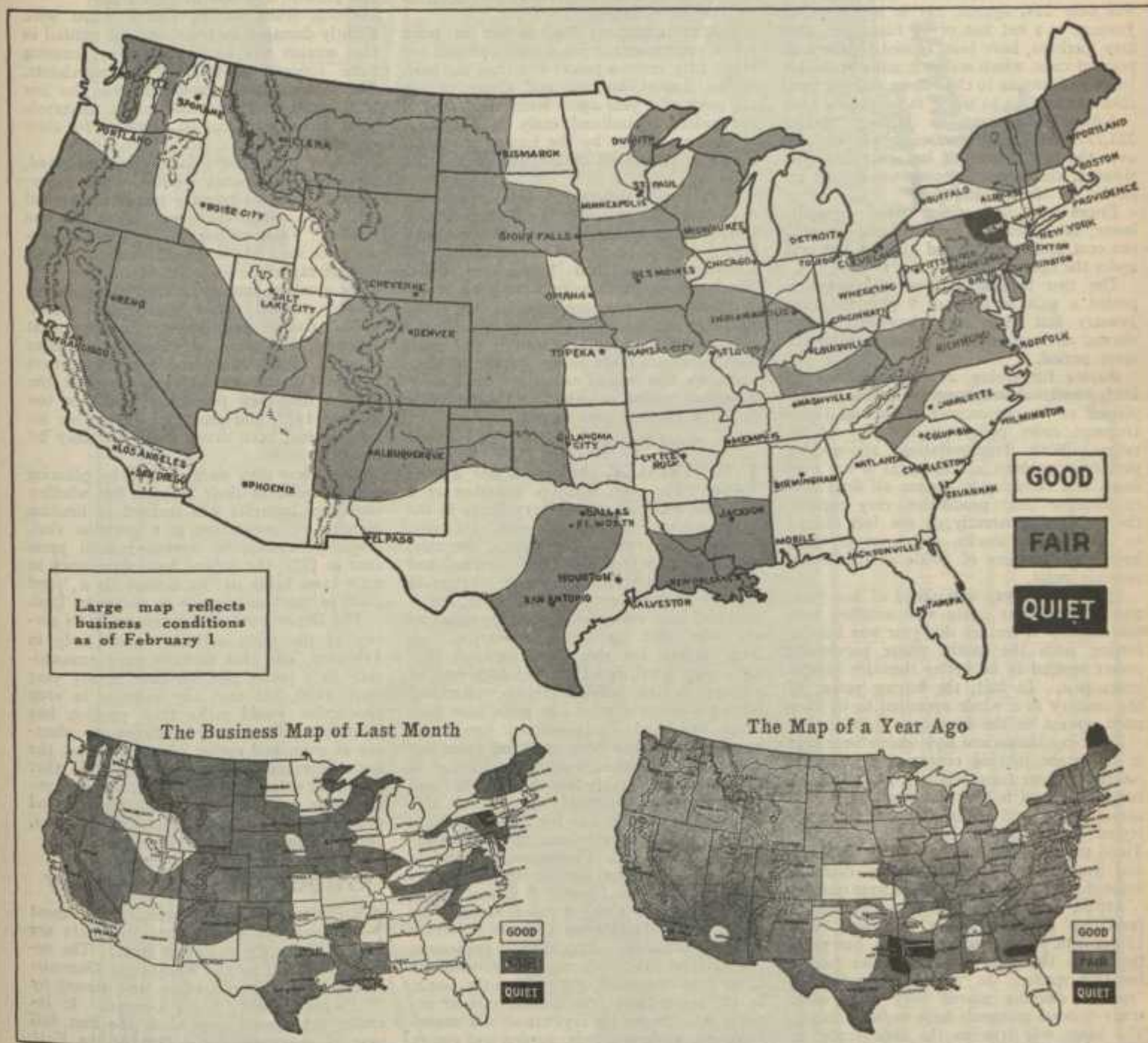
as to when this will finally be accomplished. A bigger national issue than Muscle Shoals is coming up in the proposal to build a huge dam at Boulder Canyon on the Colorado River at the southern point of Nevada, for flood control, irrigation and power, but the issue will not ripen fully for another year.



The Stars and Stripes against the setting sun in Arlington National Cemetery outside of Washington. This flagpole stands just a few feet from the Tomb of the Unknown Soldier. In the background are the Arlington radio towers



# The Map of the Nation's Business



By **FRANK GREENE**

Managing Editor, "Broadstreet's"

**T**RADE in January could be described as "healthy." In spite of some expressions of disappointment by merchants and manufacturers, who had viewed the new year, from the feverish activity of December's holiday buying, with, perhaps, too rosy a spirit, industry and the movement of commodities were well sustained, and were substantially better than in the like month of 1925.

Speculative activity, as measured by sales on the New York Stock Exchange, declined somewhat from December, and from January 1925. This slowing down did not take the form of a spectacular fall in prices, and a general rush to "sell and get out" as had

been predicted by some, but merely of a decrease in the volume of sales, with little, if any decline in prices. In fact, the average price of twenty industrial shares reached, early in February, the highest point ever recorded. Bond sales were the largest in any month since May, 1925, and prices were firm or higher, especially in the industrial issues.

The decrease in speculation apparently extended to the numerous land booms in different parts of the country. Real estate trading was a little less active, but no deflation on a large scale was visible. This decline was, probably, little more than seasonal. In spite of reduced sales of stocks,

bank clearings for the whole country reached the second highest total ever recorded, being exceeded only by those for December, 1925, while clearings at New York were the largest in history. Most other measures of movement were favorable. Failures for January were the fewest for that month since 1921, and liabilities the smallest since 1920.

Car loadings, it is true, were slightly below 1925, in which a record was established for the month of January, the decreases this year being caused by smaller movement of coal, lumber and grain, with a much heavier movement of manufactured goods than last year. Fire losses showed no improvement, the total being practically the same as for



January, 1924. Silk imports and takings by mills were the highest ever tabulated for the month. Pig-iron production showed a gain of 2 per cent over December, but the total of blast furnaces in operation on February 1 was only 224, against 234 in operation on January 1, a net loss of 10 furnaces. This may, perhaps, have been caused by the high price of coke, which makes it more profitable for some furnaces to close down and sell their coke stocks than to use it in producing iron.

Automobile output in January totaled 333,727 units, an increase of 44 per cent over the first month of last year and constituting the largest January production recorded by the industry.

Prices of commodities were generally lower, the index for Feb. 1 being about 2 per cent under Jan. 1 and about 1 per cent under the figure for Feb. 1, 1925.

The two leading mail-order houses reported a gain in sales of 9 per cent over January last year, and the chain stores showed an increase of 12.7 per cent for the same period.

Buying for spring, at wholesale, opened fairly well, although some jobbers complained of the continuance of the small-and-frequent order policy on the part of retailers. With transportation approaching perfection perhaps as closely as it has ever done, and factories in almost all lines able to increase their production very rapidly, the retailers apparently do not feel obliged to carry heavy stocks, and most of them keep their supplies of goods at the lowest possible point.

Spring trade was well ahead of last year, and jobbers were fairly well satisfied with the results. A feature this year was heavier buying from the south, where purchasing power seemed to be better than for several years past. In fact, the buying power of the country as a whole appeared to be very good, except in the hard-coal fields.

Trade conditions and style shows were held in important jobbing centers and attracted much attention from retailers, great interest being expressed in the new fashions in textiles, clothing and shoes. In general, highly styled goods moved better than staples. Thus, the new broad silks, rayons, mixtures and worsteds were in very heavy demand, while staple cottons and woollens were quieter.

At the opening of the principal woolen producers' fall lines, prices were from 10 to 15 per cent lower than a year ago, but practically on the same level as those named for this spring. In wearing-apparel lines, "sports" clothing moved very well, while ready-to-wear garments were inclined to lag. The same was true in the shoe trade, in which demand was active for new lasts and leathers, with the regular stock patterns playing a small part.

### Luxury Lines Sell Freely

THE luxury lines, such as furs and jewelry, sold much more freely than usual in the post-holiday month, and some wholesale jewelers reported sales 40 per cent larger than in the like month of 1925.

As a natural consequence of the very heavy holiday trade, collections showed some improvement after the first of the year, and, while they could not be called good, they were much better than in the latter part of 1925 and somewhat easier than in the first month of that year.

Automobile production, as already noted, was high and automobile shows were the most successful, in the total of sales concluded, ever held. Price changes were numerous, the general trend being downward.

The principal manufacturing center had about 75,000 more men employed on February 1 than on the same date last year, and a number of concerns were reported to be extending their plants and preparing to increase their output.

Rubber continued the decline in price which commenced in December and sold for about fifty cents a pound less than the peak of last August, but was still almost double the price of a year ago. Rumors of cuts in tire prices crystallized early in February, in announcements, by the leading manufacturers, of reductions ranging from 3½ to 12 per cent.

Retail trade suffered the usual post-holiday slump, but was well ahead of last year. Cold weather in the latter part of the month helped sales of heavy clothing, blankets, and footwear, which had been very quiet. Numerous clearance sales were held, to reduce stocks left over from the holiday trade, with fair success. Furniture, especially the cheaper grades, sold moderately well, with most purchases made on the instalment plan. The same was true of radios and musical instruments, sales of which in some cities were the heaviest ever known.

### Steel Prospects Still Good

INDUSTRIALLY, the month was a good one. The steel industry operated at a high rate with new orders very heavy in the earlier weeks, but slackening somewhat later. Towards the close of the month, the steel mills were overtaking their orders, and prices of steel scrap were weak. Prices of finished products generally held firm, but it was said that some automobile manufacturers were able to obtain concessions on large orders for sheets. Structural steel sales were good, reflecting the high rate of activity in the building trades. Railroad buying was fairly good but some steel concerns expressed disappointment, as much heavier orders had been expected from this source. As railroad equipment buying in 1925 was considerably less than in 1924 and 1923, it seems reasonable to say that this class of business is due for an increase.

The output of petroleum and its derivatives was lower. Production, shipments and new orders for lumber were considerably ahead of last year. A heavy movement of Pacific Coast lumber through the Canal to the Florida market was a feature of this industry. Agricultural implement and fertilizer factories were busy, with the latter obtaining good orders from the south. In the textile mills, the highest rate of activity was shown by rayon and silk manufacturers, while worsteds, woolen and cotton mills were not so busy, but showed some improvements over recent months. Shoe factories, also, were somewhat busier and this gave a better tone to leather markets.

Building was very active for a winter month, and the total of expenditures for January was the largest ever recorded for that month, although it showed the usual seasonal decline from December. The distribution of new work was very irregular, however, the middle Atlantic, southern and southwestern states recording good increases over the previous year, while the central western, northwestern, and far western groups showed declines.

The railroad conductors and trainmen filed a demand with their employers, on February 1, for the restoration of the wage scale fixed in 1920 by the Railway Labor Board. There was no hint of any other serious labor disputes in sight.

Winter crop conditions were pretty fair.

Some wheat in the middle west was subjected to freezing weather, without snow covering, but the extent of the damage was not ascertainable. In the southwest, this crop made fair growth, and was in good shape.

Citrus fruits on the Pacific Coast were slightly damaged by frost, and the rainfall in that section was far below normal, causing some concern to farmers and merchants. The snowfall in the mountains was also less than usual and this may affect adversely those areas dependent on irrigation for their water supplies.

Wheat prices were fairly well sustained, with corn somewhat weaker. The movement of corn to primary markets exceeded last year's, while the wheat movement was smaller. Flour milling was dull, mills operating for most of the month at about 50 per cent of capacity.

As usual in January, a crop of agitations, looking toward output restrictions, developed. Cotton planters and merchants at Memphis, canners at Baltimore, sugar planters in Louisiana and tobacco growers in the Connecticut Valley all voiced the opinion that their production had been too high in 1925, and that their respective industries had been saved from ruin only by accident.

The sugar men were said to be planting rice on much of their acreage, but whether the other interests will succeed in limiting planting or production is a question that, probably, cannot be answered until some time in 1927, the natural human tendency in such cases being to "let George do it," and plant as much as you can on your own land.

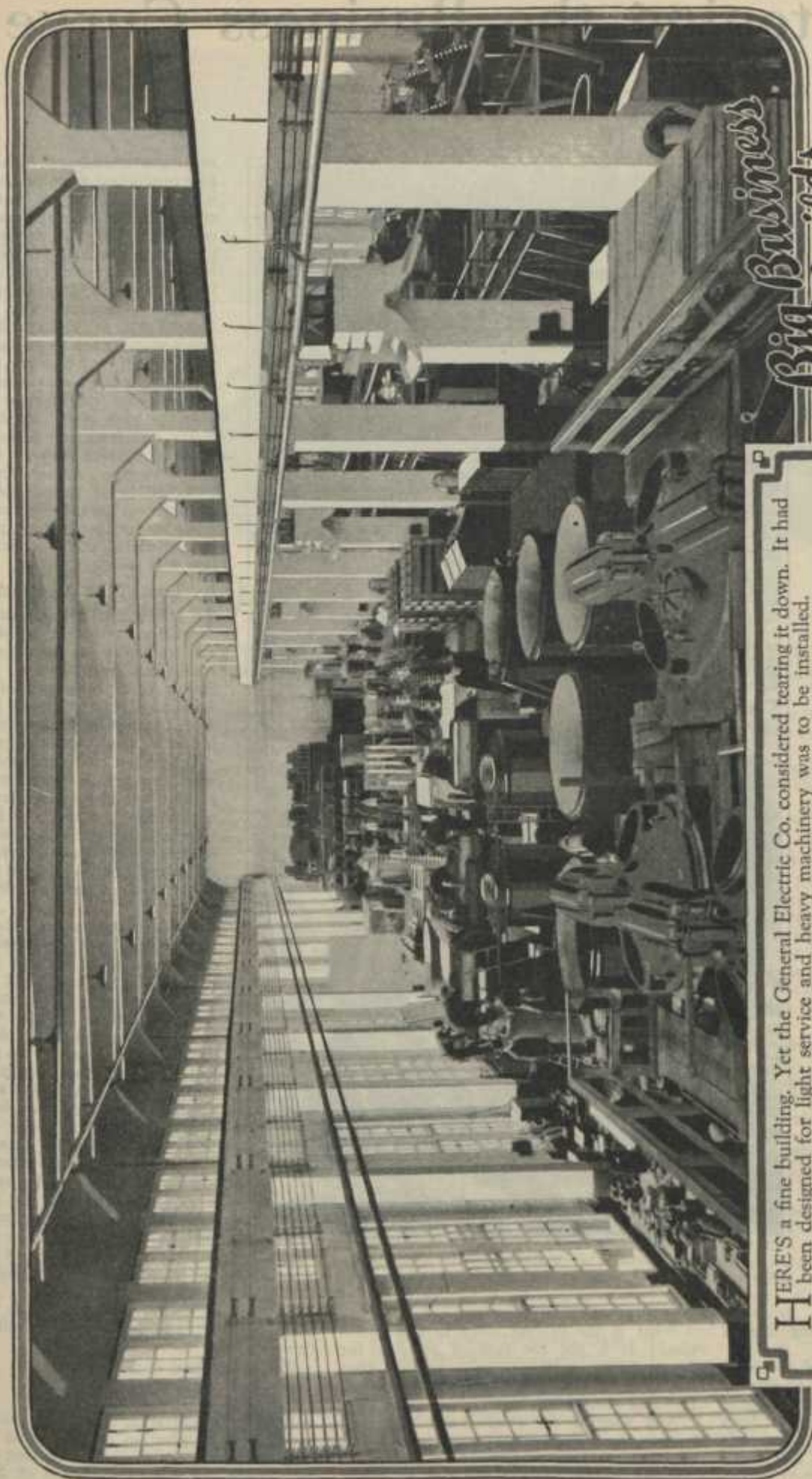
The Department of Agriculture in its survey of the farm outlook, issued early in February, said that farmers were economically in a better position than in any year since 1920, but that any increase in crop production would make their position less favorable. The survey predicted the planting of corn, and spring wheat on about the same acreages as last year, but said that prices for oats would be low, unless the acreage were reduced this year, and warned potato growers, in the late-producing states, against planting too heavily.

### Gilbert Report Ready

COPIES of the report made by the Agent General for Reparations Payments are now available, in pamphlet form. The report was sent to the Reparation Commission from the Berlin office, and signed by S. Parker Gilbert, Agent General. It includes the ground covered in the first full year of operation of the Plan of the First Committee of Experts, or, as it is commonly called, the Dawes Plan. The report supplements an earlier one, when the activities of the first eight months were reviewed. In the later issue, "it is found unnecessary to cover the same ground again, but now that a full year has passed under the plan, it is possible to get a clearer view not only of the results accomplished in respect to reparation payments, but also of the course which economic and financial conditions are taking in Germany."

Included in the summary is a statement of the German budget for last year and also for the current year, a statement of the German public debt, a currency and credit report, an analysis of her foreign trade and the progress of readjustment in business and industry. Copies may be obtained from the Finance Department, Chamber of Commerce of the United States, Washington, D. C., at 10 cents each.





## Big Business Builds The Ferguson Way

**H**ERE'S a fine building. Yet the General Electric Co. considered tearing it down. It had been designed for light service and heavy machinery was to be installed.

A Ferguson idea made the building as you see it here. Larger and heavier foundations were constructed, old columns were replaced with sturdier supports and the entire structure was renovated—all while the building was partially in service. The saving in cost is obvious. Like all Ferguson jobs, this one was backed by a binding, written guarantee covering design, delivery date, total cost and the owner's general satisfaction—without argument. That's the basis on which H.K. Ferguson and his associates work for scores of America's greatest industries.

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# Straightening the Business Curve

By A. L. HUMPHREY

*President, Westinghouse Air Brake Company*

"ONE, TWO, THREE—  
DONE!" That message, clicked out by telegraph in every city of this country on May 10, 1869, meant that the golden spike had been driven at Promontory Point, north of Great Salt Lake; that the Central and Union Pacific were one; that the first transcontinental line had been completed.

Half a century ago! San Francisco was a city of 150,000. Los Angeles 5,000, Seattle 1,000, Portland 8,000. No one had a telephone, a motor car, an electric light or a radio.

And the railroad itself? Slason Thompson wrote:

"It was a hastily graded, unballasted, indifferently equipped, single-track road of 1921 miles, laid with 56-pound iron rails through sparsely settled desert and mountains, which, paradoxical as it may seem, cost three times as much as it was worth and yet was worth many times more than three times as much as it cost."

This historic event of 56 years ago marked not only the beginning of an era of railway expansion; it was the real beginning of the corporation as a superior method of conducting business.

Both railroad and corporation were crude and inefficient as compared with conditions today.

## Laying Foundations

THE description of the first railroad across the continent: "hastily graded, unballasted, indifferently equipped," fitted the railroad of that day; it fitted the business methods of that day. Both have vastly improved; both now give greater service; both have developed a broader intelligence in leadership. The railroads have cut down grades and straightened curves. So, too, business has been laying foundations, making possible easier grades and a straighter prosperity line.

The goal hasn't been reached. Perhaps it never will be reached. No railroad can be absolutely a straight and level line. Business is still far from reaching that ideal of a practically uniform volume—a straight and unvarying line of prosperity.

But that goal, remote as it still seems, is much nearer than it was. The science of business has improved beyond anything dreamed of fifty years ago. He is both foolish and blind who does not know that progress in that line cannot stop now; who does not vision vastly better conditions of business steadiness in the next ten or twenty years, for progress gathers speed as it goes.



A. L. Humphrey, president of Westinghouse Air Brake, may be a business idealist but he is far from an idealist when it comes to shooting wild turkeys

What is the driving force in this direction? Is it not the popular pressure for better living conditions in a country that has already set new levels of physical comfort and mental freedom?

And what is the chief factor that contributes to better living conditions? The opportunity for continuous employment! And we cannot balance the evil of unemployment by pointing to the good of "overemployment." They don't balance. Nerve-

racking overtime and high-pressure production when production is at the peak are not blessings either to the employer or the employee. They do not offset the unrest, the financial loss, the misery, that come with short-time or complete unemployment. No man who wants to go from New York to Chicago in 18 hours would want to go the 900 miles in half that time and stand still for the other nine hours.

Continuous employment isn't only the wish of the employed. Every one from top to bottom wants it. Stock owners, directors, executives, workers big and little, suffer in periods of unemployment and by no means make up for that loss by irregular periods of excess in production and selling.

## Lost Time Reduced

IF JOHN SMITH as a worker, whether president or youngest apprentice, is benefited by continuous employment, John Smith as a consumer of the work of others is no less benefited, for even production makes for better goods at lower prices.

What then has been done and what can yet be done through a more complete understanding of business and the exercise of foresight and intelligence to lessen the length and severity of the periods both of undue prosperity and of extreme depression?

So far as the business interests with which I am associated are concerned, while perhaps peculiarly subject to "feast and famine" periods, I feel employment conditions on the whole have improved distinctly during the past twenty years. No problem has given the management more anxiety. A policy of diversifying products has helped materially. Also during lean years we continue to manufacture and store stocks of standard items. So far as possible, special work, plant facilities and other expansions are scheduled for dull periods. As a result we have substantially reduced lost time for employees in our chain of industries.

In a national sense I think there are five chief factors contributing to this end:

- The elimination of waste
- Financial solidarity
- Stability of Government
- Better transportation and communication
- Scientific distribution of purchasing

In the war on waste we are making progress under the skillful leadership of Secretary Hoover, who has focused the attention of industry and commerce on the gravity





Studebaker Standard Six  
Duplex-Roadster

\$1125 freight and  
war tax extra

## In the Oil Fields—

### Unit-Built Studebakers are widely preferred

**N**OTABLE proof of the low operating cost and unusual dependability of Studebaker cars comes from the Southern California oil fields.

Ten prominent concerns in this territory use Unit-Built Studebakers for field work.

The Shell Oil Company uses.....29 Studebakers  
The Superior Oil Company uses.....27 Studebakers  
The Miley Oil Company uses.....12 Studebakers  
The Gilmore Oil Company uses.....11 Studebakers  
The Julian Petroleum Company uses.....10 Studebakers  
The Pennsylvanian Oil Company uses.....7 Studebakers  
The Richfield Oil Company uses.....15 Studebakers  
The Associated Oil Company uses.....25 Studebakers  
The Oil Well Supply Company uses.....12 Studebakers  
The Petroleum Midway Company uses.....12 Studebakers

Many of these Studebakers have covered upwards of 40,000 miles—over pot-holed roads that pound to pieces any automobile not built to withstand the most severe abuse.

Note the low cost of operation and maintenance under these grueling conditions:

The eleven Studebakers of the Gilmore Oil Company average \$.053 per mile operating cost, including gas, oil, tires, repairs, etc. Seven of eleven Studebakers used by the Gilmore Company have traveled more than 25,000 miles and are still in active service.

The twelve Studebakers of the Miley Oil Company average only \$.0786 per mile, this expense including all items of operating cost, *plus insurance and depreciation*. Every Studebaker in the Miley fleet has been driven more than 15,000 miles and two have gone over 30,000 miles.

#### Most economical in the long run

Many fleet-owners in different lines of business report an average operating cost of from 5½ to 6 cents per mile—

proving that the 6-cylinder Studebaker can be operated for practically the same cost as the ordinary 4-cylinder car.

Of course, the Studebaker is higher in first cost. But experience shows that this is more than offset by superior performance and greater dependability, giving years longer service with much lower depreciation.

#### One-Profit prices

Studebaker's extra value is made possible by One-Profit manufacture. All vital parts for Studebaker cars—all engines, bodies, gear sets, differentials, springs, brakes, steering gears, axles, gray-iron castings and drop forgings—are made by Studebaker.

Thus Studebaker saves the extra profits of outside parts and body makers. Savings are passed on to the ultimate buyer in the form of higher quality, at lower prices.

#### Unit-Built construction

Because all parts are designed and built as a unit, the Studebaker functions as a unit, yielding greater riding comfort and longer life with minimum repair costs and higher resale value.

#### A new-type open car

The One-Profit Studebaker Standard Six Duplex-Roadster illustrated above, is particularly adapted for the use of salesmen and field workers.

Within its steel-framed top are concealed the famous Duplex roller side enclosures which banish curtain trouble and give protection from rain or storm in 30 seconds. It has 18 cubic feet of storage space under its rear deck. The engine, according to the rating of the Society of Automotive Engineers, is the most powerful in any roadster of its size and weight.

### Studebaker Fleets in the Oil Industry

Fleets of Unit-Built Studebaker cars are being operated by the following national oil concerns:

Standard Oil Company,  
of Indiana  
Pure Oil Co., Columbus, Ohio  
Sun Oil Co., Beaumont, Texas  
Independent Oil Co.,  
Oklmulgee, Okla.  
Roxana Petroleum Company  
Texas Oil Company

**STUDEBAKER CARS COST LESS IN THE LONG RUN**

*When writing for further information about STUDEBAKERS please mention Nation's Business to the dealer*



of the problem and who has been able to put life into statistics and help the everyday business man fit his business into the facts. There is, however, much left to be done.

The relation of waste as a whole to waste through unemployment is a peculiarly vicious circle, for waste in the end is a breeder of unemployment, and unemployment is our greatest waste. No one knows the limit of our capacity to consume goods if only goods be cheap enough and if only continuous employment makes possible buying power. The elimination of waste will make goods cheaper, and the lessening of unemployment would go with increased and regular production and consumption. So the circle I have described as "peculiarly vicious" might be reversed and become "peculiarly beneficial."

On the second point of financial solidarity we have already taken a long forward step in the Federal Reserve System. That organization has brought into coordination our financial resources. Now the credit supply available for legitimate enterprise from one end of the country to the other is stable and uniform.

#### Under the Old System

**T**HE INSTINCT of self-preservation, the absence of a mutuality of interest, and the lack of any unifying safeguards and control, all contributed under the old disjointed system to irregularities and excesses that quickly communicated discouraging if not disastrous influences to the business world. Some of our most serious periods of unemployment in the past have resulted from financial panics due to conditions practically impossible under the Federal Reserve System.

If any proof were needed of the effect of financial panics on employment, read this description of the panic of 1893 from Professor Jennings' recently published "History of Economic Progress":

"Unemployment became general, and many large cities were compelled to provide public relief. Tramps and vagrants were everywhere."

As in other factors affecting employment, so it is with stability in Government. Nothing is more certain than that unemployment is a breeder of discontent and dissatisfaction. Nothing is more certain than that instability in Government makes for hesitation in industry and a resulting unemployment.

We have in Washington at this time a soundness and a reassuring sanity in the conduct of Government, due not only to the common sense of the President but to the important fact that he represents what I believe is a new public opinion.

For the Socialistic view of Big Business as a tyrannical monopoly we have now substituted the much more wholesome and constructive judgment that business serves and serves only within the limits of what the people want and will pay for. The confirmation of this judgment is that the control of practically all business enterprise is now passing rapidly to the public at large through the entirely legitimate process of stock ownership.

The influence of this economic evolution on political thought and action must be very great, and we are hopeful enough to believe that the day is past when political power will be used to disorganize and unbalance economic conditions through a hostile attitude toward business—big or little—a condi-

tion that has in the past contributed strongly to an erratic line of production and employment.

The principle of the budget recently recognized at Washington is another approach to a more scientific control.

Universal communication plays its part in steadying industry. The press has been a most effective agency for the dissemination of information. The telegraph annihilated distance; the telephone and the motor car have made the local community one large family; but it has remained for the radio to remove the last vestige of isolation and consolidate our people into a homogeneous nation.

When practically the entire country can hear the proceedings of the great conventions

### WHAT is the best gift of management to worker?

Regularity of employment, is Mr. Humphrey's answer. Neither shut-down nor overtime is good.

Industry has made great strides towards the goal of evenness in employment since the day that Mr. Humphrey recalls, when he as a boy worked on the first locomotive that came from the West to meet its fellow from the East.

Much remains to be done, but the industrial achievements of the last half-century are a tribute to increased skill and intelligence of labor and to the greater efficiency of management.—The Editor

or the voice of the President on vital subjects of national interest, old geographical barriers are broken down, and we have reached more completely than ever before a common basis of thinking and action.

This wide spreading of knowledge and understanding is by no means confined to entertainment programs but includes a better comprehension of economic law, business trends, production and consumption comparisons and other data, not only for the country as a whole but even for the world itself.

#### Tendency to Consolidate

**M**EASURED by time, the world is much smaller today. Information of all sorts is quickly available if we only make right use of it. With the high tide of information and intelligence now available, certainly the course of business in every line may be guided much more wisely than was possible a generation ago.

But over and above all these four factors in securing evenness of consumption, of production, and of employment, is the intelligent use and distribution of the nation's purchasing power.

For one thing, there is a tendency to consolidate enterprises under single control. Again the generally higher level of intelligence on the part of business interests necessarily must result in a keener buying sense and consequently in a better distribution of purchasing power; but the more important primary groups in a position to control and promote the "spread" of this fundamental business stabilizer would include:

(a) Building Construction. This is an industry well organized through various associations, builders' exchanges, etc., and while no human effort can yet dominate the mass

impulse to build at one period and not to build at another period, what we suggest is that in proportion to the extent this primary activity is effectively organized and articulated as a unit, there arises in greater or less degree the possibility of guidance in community building programs.

For example, when building falls off and labor and material costs reach a level attractive to the property owner, this situation can be carried home to him in a mass way through builders' organizations. Again, organized effort can keep accurate record of building shortage and surplus conditions and modify or encourage activities accordingly.

(b) Public Utilities. This group in the aggregate is the source of an enormous buying power. Relatively speaking the business of most utilities is very stable, permitting accurate annual budgeting and in consequence a uniform spread in capital expenditures, current purchases, wage payments, etc. Moreover, the utilities are closely related to primary public necessities and the public interest broadly. It must be inherent in utility policy to maintain a uniform general state of prosperity, and wise managements recognize that one major contribution thereto is a scientific distribution of their own purchasing power.

(c) The Railroads. The possible expenditures of the steam roads for equipment, materials, supplies and fuel now approximate \$3,000,000,000 per annum, stimulating or depressing thousands of business activities throughout the country in proportion as this purchasing power is exercised uniformly or otherwise. While it is not yet possible so to coordinate needs, capital, and actual placements of railroad orders as a whole, so as to approach the ideal line of uniform distribution year in and year out, what we suggest is first, that underlying organization and coordination are constantly tending to create the basis for such a possibility in the interests of the railroads themselves; and second, that no other influence would go so far to establish and maintain good public relations, a fact now recognized by both operating and financial management.

(d) Public Works. This refers to federal and state expenditures for public buildings, bridges, roads, river and harbor improvements, etc. Obviously there is more direct control by Government of the annual volume of these expenditures than is possible for any private enterprise group.

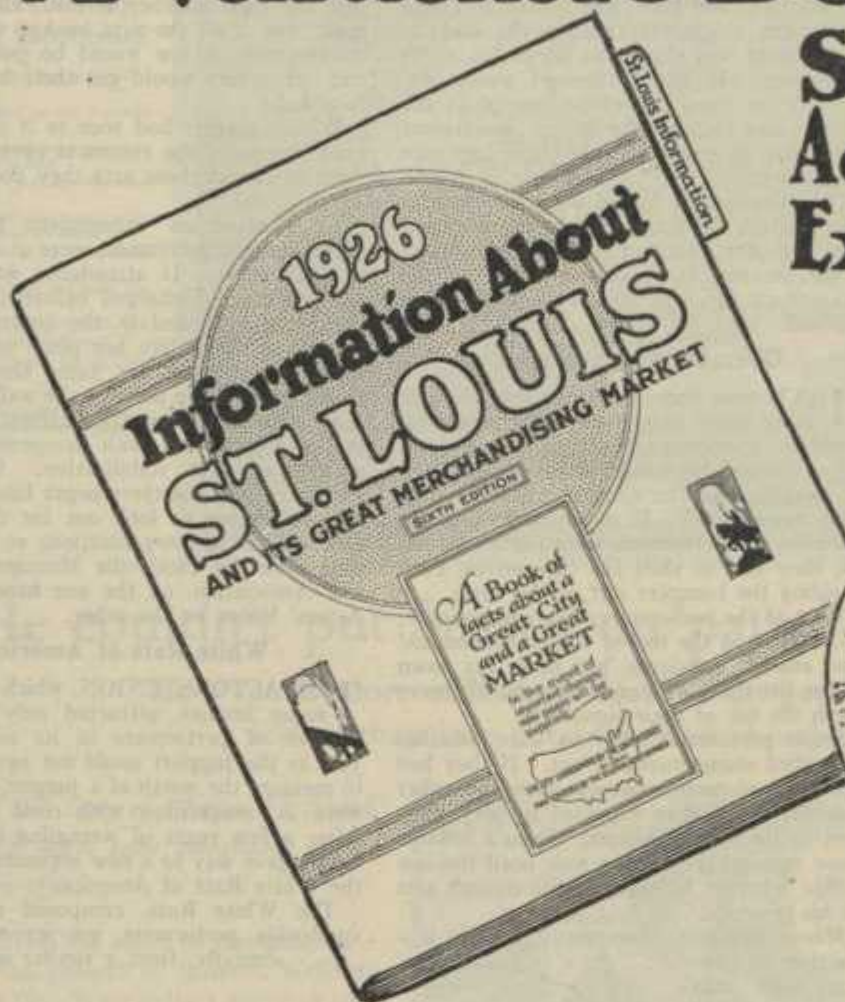
Government expenditures, as advocated by Secretary Hoover and others, should be so far as possible a counter-balance or stabilizer for general business.

A recent moving picture, "The Iron Horse," gave a graphic picture of that great moment in our railroad history of which I spoke at the beginning. The little locomotive, almost ludicrous in design and performance is still on exhibition at the Southern Pacific Railroad at Sacramento.

But one who, with his own hands, worked upon that very locomotive, and who as he writes these words visualizes in the short space of his own life the impossibilities of 1870, that are today accomplished facts, can only express the conviction that business, with increasing intelligence, is on the road to a straighter prosperity line through scientific control and distribution of purchasing power, and like railroad transportation, will yet reduce grades and eliminate curves to an extent undreamed of today.



# A Valuable Book for Sales and Advertising Executives



The St. Louis Market as Officially Defined by the Audit Bureau of Circulations is a Forty-Mile Circle With St. Louis at the center.

## New and Authoritative Facts About a Great Market

Thirty people worked five solid months to secure and compile a part of the information given in this book. Every home in St. Louis was canvassed by experienced interrogators. What they learned is of untold interest to sales and advertising executives with distribution problems in the St. Louis market.

"Information About St. Louis" will be sent free and postpaid to any executive interested in advertising who requests a copy—using the firm's letterhead and mentioning the NATION'S BUSINESS.

This book will make an excellent supplement to the "100,000 Group of American Cities" which selected the Post-Dispatch as the newspaper best covering the St. Louis market.

## ST. LOUIS POST-DISPATCH

St. Louis' ONE BIG newspaper

NEW YORK  
285 Madison Ave.

DETROIT  
Book Bldg.

CHICAGO  
Tribune Tower

KANSAS CITY  
Coca Cola Bldg.

SAN FRANCISCO  
564 Market St.

LOS ANGELES  
Title Insurance Bldg.

SEATTLE  
Terminal Sales Bldg.



# Serious Business in the Laugh Industry

By DONALD MacGREGOR

THE USUAL method of judging a juggler is by the number of balls he can keep flying in the air at one time. If the number is six he is good and capable of playing the family circuits. If it is seven he is a marvel and can go on any vaudeville bill. In the history of modern juggling only two men, consistently, performance after performance, have been able to keep eight of the balls going simultaneously.

About the only persons not in accord with this way of measuring the ability of a juggler are jugglers themselves. The fewer balls a juggler is able to juggle the stronger is his belief that a juggler is a juggler and should not be discriminated against. Therein is the fundamental reason for the failure of the long struggle to gather vaudeville and other actors into the fold of trade unions.

The light-hearted business of vaudeville, next to the motion picture industry, is the most important theatrical enterprise today in the United States and Canada. Plays and musical comedies in all but the large cities find it difficult to compete with the cheaper forms of amusement. Vaudeville, on the other hand, continues in almost all the worth-while cities and towns. Good or bad, it has flourished financially. Its field is expanding. One group of managers alone put \$20,000,000 into new theaters over the country in the last six years; the total of the new investments in the industry in that period may be double that amount.

## Whims and Temperaments

NORTH of the Rio Grande more than 700 theaters are playing vaudeville exclusively or a combination of vaudeville and motion pictures. They vary greatly in size and seating capacity, in price of admission and in variety and quality of program. Their real estate and equipment represent a capital value of more than a billion dollars. About 22,000 men and women are engaged in the business.

An industry dependent upon the whims and temperaments of so unsettled an element of the population might seem to offer extreme financial hazards; and so it did until a few years ago. Now, however, those hectic conditions have vanished under the powerful influence of a unique and all-in-all industrial organization maintaining a new relationship between employer and employee, the National Vaudeville Artists, Inc.

The laugh business, it has been demonstrated after ten years of trial, is on a solid industrial footing. The frequent and costly strikes of a few years ago do not occur today. The clamor for a vaudeville union no longer is heard. Managers and performers fulfill their engagement contracts in letter and spirit, and responsibility is as equal as possible. Disputes within the industry are arbitrated under a very practical and interesting system which no longer makes it necessary to waste time and money in public courts of law.

Vaudeville, in general, as an outgrowth of the old variety days of Weber and Fields, Lillian Russell

and Harrigan and Hart, was a form of cheap amusement a quarter century ago and its management was almost as unreliable as its performers. It was patronized almost exclusively by men. Nowhere, except in the larger cities, where the heavy investment made that an essential, was there any sign of stability.

The circuits that linked these city vaudeville theaters did not extend to the medium-sized and small communities. The conduct of the theaters in these towns and of the theaters on the side streets of large cities was bad.

## Operated by Promoters

MANY were operated by promoters with more nerve than money who rigged up stages in storerooms, installed cheap seats and advertised for vaudeville acts in theatrical weeklies like the *Clipper*. Some lasted, many more failed. If money went into the boxoffice, the performers were paid; if it did not, they had to shift for themselves, even to riding the bumpers out of the town.

Most of the performers were irresponsible, too. Those at the top of the profession had good enough standards, but those far down on the list made contracts that hardly were worth the ink of their signatures.

Some performers did not care whether they filled engagements or not. If they had a promise of more money at a theater other than that they were expected to play, they went to the highest bidder. Even a reliable house manager never was sure until the last minute whether he would have enough acts for his program.

Many managers, consequently, made it a practice to engage more acts than they expected to use. If

just the right number arrived, all well and good; but if all the acts booked showed up unexpectedly a few would be put to work and the others would get their hats and a handshake.

Wise managers had seen to it that small-type clauses in the contracts gave them the right to cancel those acts they decided they did not need.

Even after an engagement began the managers and performers were at the mercy of each other. If attendance was bad an act might be discharged before the end of the period specified in the contract. If a performer didn't like her place on the program or felt that her name should be in larger type on the posters, she walked out.

In spite of all this the business prospered in the main. And with prosperity came a natural cry for stabilization. Groups of managers here and there began binding themselves together to look out for their interests. The chief organizations at the beginning were the Vaudeville Managers' Protective Association, on the one hand, and the Actors' Union on the other.

## White Rats of America

THE ACTORS' UNION, which was all its name implies, attracted only a limited number of performers to its membership. Just as the jugglers could not agree on how to measure the worth of a juggler, comedians were in competition with rival comedians. After a few years of wrangling the Actors' Union gave way to a new organization called the White Rats of America.

The White Rats, composed entirely of vaudeville performers, got its name, incidentally, from a similar organization





### What's Wrong With Shorthand?

Executives say:—

- "I'm forced to cut dictation short."
- "If she could only take it as fast as I think."
- "She can't help me with other things."
- "If I could only dictate while it's fresh in my mind."
- "Our sick, so my letters have to wait."
- "It's the 'ring and wait' system."
- "Please! she's gone. I'll have to wait till tomorrow."
- "She can't get out all she's taken."

That's enough! I'll send in the coupon below on general principles.



Clinton H. Scovell

Founder of the Scovell, Wellington & Co., accountants and engineers. Mr. Scovell is an outstanding authority in professional Accounting and Industrial Engineering.

### What's Wrong With Shorthand?

Secretaries say:—

- "I'm 10% secretary and 90% slave to my notebook."
- "I'm nothing but a bell hop."
- "Nothing doing till 3 and then two days' work."
- "No one else can read my notes."
- "Hours wasted while he's in conference."
- "Yes, I do mind staying late."
- "Those awful waits while he chews over the 'phone'."
- "He talks so fast I'll be getting worse a cramp soon."

That's enough! I'll show him this trial offer right now.

## He couldn't put *himself* on paper—with shorthand

How much more of himself does a man get into Dictaphoned letters than into cut-and-dried shorthand letters?

Read this story of Clinton H. Scovell—and you'll take advantage of our coupon offer!

NOTHING short of phenomenal—the growth of Scovell, Wellington & Co. Practically a one-man concern in 1910. Today a leader in the field of auditing, industrial engineering and constructive accounting, with offices in Boston, Springfield, Mass., New York, Syracuse, Cleveland and Chicago.

Scovell, Wellington & Co. has successfully combined a wide range of services—auditing and special investigations, tax service, cost accounting, production planning, wage payment plans, budgetary control coordinating production and sales.

Behind this rapid expansion we see the figure of Clinton H. Scovell. Alert, dynamic, Mr. Scovell puts the stamp of his personality on every phase of his organization and its broad service.



Lillian Locke

Mr. Scovell's secretary, says, "The Dictaphone gave me time to show I had executive ability as well as fingers!"

"Clearer, more vivid, more forceful expression! That's one great merit of the dictating machine in my opinion," says Mr. Scovell. "Talking into The Dictaphone, I can put myself on paper as I never could when I was held back by a pencil in the hands of a stenographer!"

"I can dictate as fast as I like, and whenever I like. The work of

our firm, largely out of our offices and out of town, requires that long professional reports and much of our correspondence be dictated nights and out of regular hours. This makes The Dictaphone an essential. Shorthand has been done away with in our offices, which are all liberally provided with Dictaphone equipment."

Does Mr. Scovell's secretary, Miss Locke, like the change? "I'd never go back to the old shorthand days," she says. "Writing letters twice! Held up by every telephone call! Today I'm practically Mr. Scovell's personal representative. The use which Mr. Scovell and I make of The Dictaphone gives me time to show that I have executive ability as well as fingers."

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phone. Mail me FREE copy of your booklet, "What's Wrong With Shorthand?"  
I am a Secretary ☐ Executive ☐ (Check One)  
☐ Please notify your nearest office to lend me a New Model 10 to try. I understand that this loan involves no expense or obligation.



theaters from Boston to New York City.

Albee was the particular target of the radicals in the organization. He personified their idea of everything evil, although, in fact, the worst that might be said truthfully

A few acts would be put to work and the others would get a hand-shake



in England, called the Water Rats. Spell "rats" backward and the word is "star."

During the next fifteen years that followed from 1900 the conflict between the managers was bitter and continuous. The managers refused to recognize the union. The performers called frequent strikes.

The more conservative on both sides admitted that the form of engagement contract was the chief issue. The problem was how to bind, fairly and equally, both the manager and the performer. Another element was the fact that neither the managers nor the performers were completely organized.

The dominating force among the managers by this time was E. F. Albee, a quiet and unassuming business genius, but above everything a keen and daring showman. He had been the chief partner of B. F. Keith in building a chain of successful vaudeville

of him was that he conducted his business as he and his associates desired. He opposed unionism in principle. He considered the public first. If a group of actors went on strike he got another group and gave a show anyhow.

In 1916 there came a new association, incorporated as the National Vaudeville Artists at Albany, N. Y. The purpose was to improve the working conditions for performers. The organization sought and received the cooperation of the managers, among them Mr. Albee. With only a handful of members at first, their ranks grew.

The White Rats became correspondingly less powerful. An expensive clubhouse built in New York City with money from bonds sold to the members led to financial difficulties. The collapse of the whole enterprise was threatened.

Just as everything seemed darkest help came from the man the organization hated most. Not only did Mr. Albee offer

financial aid but an agreement on every item, point by point, for which the White Rats had fought. Victory, sometimes, may be achieved by everybody concerned.

What is known as the "play or pay" contract, for which the White Rats had been fighting, was adopted. Under this contract an act engaged for a specified week receives its salary whether it appears on the stage or not, provided that its absence is no fault of its own. If the act fails to keep a contract a fine is imposed which may be equal to the salary, or more, according to circumstances. A way to enforce this was found by the extension of the managers' and performers' organizations and the creation of a board of arbitration.

#### All Manner of Disputes

THE ARBITRATION is in the hands of a board of three members, one chosen by the managers, one by the performers and one by both groups. Originally intended to interpret contracts only, it considers now, by mutual consent, all manner of disputes arising in the vaudeville business.

Jobs were provided for those who had led the fight of the White Rats. Old sores were healed. The National Vaudeville Artists, Inc., became the organization of the performers. The White Rats ceased to exist.

Competition continues in vaudeville just as it did before the scheme went into effect. A performer may work for any group of managers so long as he abides by his contracts. If he accepts outside engagement, perhaps with a musical comedy, he does not lose his status with the N. V. A.

The system proves the fallacy of the old idea that it is necessary for employees to maintain a union to obtain a hearing from their employers. If a condition arises where one or more performers want a hearing it is arranged through the arbitration board which is the crux of the enterprise.

Officially, this is the Joint Complaint Bureau of the Vaudeville Managers' Protective Association and the National Vaudeville Artists, Inc. At present the representative of the managers is Pat Casey, long one of their leaders; the representative of the performers is Henry Chesterfield, an actor for years and secretary of the N. V. A.; the third member, chosen by both groups, is Major J. O. Donovan, experienced both as a manager and performer.

So it is that the laugh business is stabilized for everybody concerned, along lines which might be appropriated with profit by other industries which are not so settled.

## Foreign "Governments in Business"

By FRANCIS COPELAND

FOLLOWING the example of one of our widely known cartoonists, I wonder "what a corner grocery man thinks about."

Is it the price of United States Steel Common, the settlement of international debts, our future in international trade; or is it his outstanding accounts, the condition of his stock on hand, the cost of new tires for his two delivery trucks?

Again, I wonder "what the manufacturer thinks about."

Is it the Court of International Justice, the Dawes Plan, what his needs will be in 1930, or is it the income tax reduction, his

inventory, the increasing cost of distribution and the fact that the bill for new tires on his fleet of trucks is three times what it was last year?

I wonder if any of them are thinking about anything beyond 1926. From reading the business forecasts of last December there is left the impression that no one is thinking beyond the calendar year. Every one of these forecasts confined itself to the year 1926. It is not hard to prognosticate that, as a whole, business will be good in 1926.

There are a few danger signals such as the rapid increase in land prices in certain sec-

tions of the country, a year of advance in the stock market and the danger of uneconomic farm-relief legislation. The fact that these danger signals are recognized and faced by business gives some assurance that they will not loom big enough this year materially to harm business.

It is surprising though to note in all of these forecasts the omission of reference for the period beyond 1926 of all of those items which put together make for that confidence on which business continues successfully. The prosperity of the past year and the promised prosperity of the coming year seem to be sufficient for the American





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JAMESTOWN, NEW YORK



business man and also the American public.

It is so sufficient that it has nearly been impossible to arouse in the business man or in the public, either an interest or a realization of some of the major problems which may well affect the prosperity of the country and the success of business in some not far distant year.

### Control of Raw Materials

ONE or two forward thinking men have placed before the country problems which we shall ultimately have to solve and solve successfully unless we are willing to pay in business depression for our failure to meet them. Among these problems perhaps the one which receives the least attention by American business and the American public is the complications of our foreign relations which will in the near future directly affect our national prosperity.

Rubber is today the outstanding example of this government control. The real principle for which Mr. Hoover is fighting has been to a large extent lost sight of in the hue and cry about the merits of the rubber controversy and in the recriminations on the subject of rubber between this country and Great Britain, and between various schools of thought regarding our national economic policies. It is perhaps easier to bring home to the American public the principle, if you can show them where in an individual case their welfare is jeopardized, but there is always the danger in picking the individual case of losing sight of the main principle. The owner of a five-ton truck may be indignant at the British rubber control because truck tires cost nearly one-third as much as the truck, but he cannot get excited over the coffee valorization scheme of Brazil or the sisal monopoly of Yucatan.

Government control of raw materials is not new. It dates far back into history. History has time and again proven that these controls are economically unsound, and that, although they may succeed temporarily, they will ultimately fail. Even before the war there were government controls of raw materials. Coffee, potash and sisal were under one form or another of government control. They existed without strong opposition from consuming countries.

### Expansion of the Policy

THE WORLD-WIDE slump of 1922 caused special industries in which some governments had a practical monopoly to seek government aid either in restricting production or in financing the holding of surplus. The almost immediate success of this government control in these raw materials changing deficits into profits has led to an expansion of the policy of government control of natural resources needed in the world market.

We can look for attempts at further expansion of this method of government interference in business in every raw material where one country, or two countries combined, can practically control the world supply unless some steps are taken to discourage such operations. All of this has been pointed out by Herbert Hoover. He used the British rubber control as the most outstanding example.

In 1922 when the Stevenson plan, under which Great Britain restricts the output of rubber, was proposed all of the arguments now presented to the American public were forcibly presented to the British public. Here are some quotations from a leading British paper:

The scheme places a premium upon inefficiency and is therefore economically unsound.

Both British and American manufacturers will, for economic reasons, be forced to combat these proposals.

Has the Colonial office considered the outcome of these restrictions as between the United States of America and the United Kingdom?

We can not, in seriously considering the position in all its bearings, be oblivious to the very serious precedent which has been created by the issue of the Stevenson Report.

It is an innovation, by what we consider a not impartial committee, of an extremely dangerous character, and we most strongly urge the British Government to consider whilst there is yet time whether it would be wise to jeopardise our supplies of raw materials from sources outside British jurisdiction without a very careful, impartial and painstaking survey of the whole position.

Over two years have passed and the fears of this British newspaper are being realized. The monetary success, however, of the Stevenson plan in rubber has been such that the British Press and British Government has been willing to overlook the other considerations.

### A High State of Confidence

THE EARLIEST business transactions in history were transactions between individuals where the buyer purchased directly from the seller and the rule of trade was *caveat emptor*. Through the centuries business has gained so much confidence that today the rule of *caveat emptor* is practically non-existent. We buy by description from people we never see or never will see. We buy on credit and pay by check. Business has progressed to a high state of confidence not only between various businesses but between the buying public and business.

The injection of government into the control and restriction of raw materials; that is, the injection of government in business in the form of the Stevenson plan, of the Brazilian coffee valorization plan, the Yucatan sisal control, etc., immediately reinvents the rule of *caveat emptor*. It is a step backward to the origin of trade—not by individuals but between governments on the one hand and individuals or corporations on the other.

When the buyer met the seller in the stockaded market place in Damascus two thousand years ago he had to watch two things in his bartering—first, that the quality was right, and second, that the price he paid was fair. He had no recourse if he was cheated.

Today under these government controls, the buyer may have a certainty about quality, but he cannot gauge for any appreciable period ahead what the price will be. For the price is not fixed by the law of supply and demand; it is usually fixed by a government-controlled Board, subject to the political and other whims of those in charge. And the business man has no more recourse than did his predecessor in the market place in Damascus. *Caveat emptor!*

A business man can gauge his business activity, according to his ability and his information, the hazards due to the natural law of supply and demand, the probable size of his market, the financial condition under which he shall buy and sell.

These are all legitimate hazards, but if a foreign government can at any time it so desires step in and upset the economic and natural laws of business it is not possible for business to operate on a close margin of profit with any assurance of success. The natural result is that to protect itself, business will take from the public a much larger percentage of the profit as insurance against

the activities of government in controlling the supplies of raw materials.

There are now nine government controls of natural resources. There are a considerable number more controls possible. Throughout history these controls, because they are economically unsound, have always sooner or later broken down, but until they have proven to be economically unsound those countries which control natural resources will be tempted to put them into effect. The logical result will be a series of trade wars and recriminations by governments with the resulting disorganization of business, with the resulting international ill will and with the resultant high prices to the public.

### Against Government Reprisal

MR. HOOVER has steadfastly set his face against any form of government reprisal, realizing full well that such an action on the part of this government will be a detriment to business which will be difficult to overcome and a precedent for Government interference in business in this country which may lead to economic chaos. He has proposed that American business and the American public shall undertake now what they will ultimately have to undertake in the future if international trade wars do come, that is, (1) the conservation of those materials which are today under the foreign governmental monopoly; (2) the undertaking on the part of American business to find or establish new sources of supply, and (3) to have the whole American public really understand the issue which is much greater than a mere trade disagreement with Great Britain on the subject of one commodity.

Looking ahead, not to a prosperous 1926, but to a prosperous era for America, may depend largely upon a realization on the part of the American public and more particularly of the American business man that the principle of government interference, either in national business or government control of a monopoly, is the most dangerous movement we are now facing.

### What Is a Realtor?

"WHAT'S the difference between a 'realtor' and a 'real estate man'?"

Chief Justice William Howard Taft of the Supreme Court of the United States, who presides over the court of last resort, and makes decisions from which there is no appeal, asked that question of a village attorney recently.

James Metzenbaum, attorney for the village of Euclid, just outside the corporate limits of Cleveland, O., was arguing a case, involving the constitutionality of a zoning ordinance, and had been referring to "realtors" and "real estate men" when the chief justice leaned forward in his high-backed, black leather chair, and propounded the foregoing question to the startled counsel.

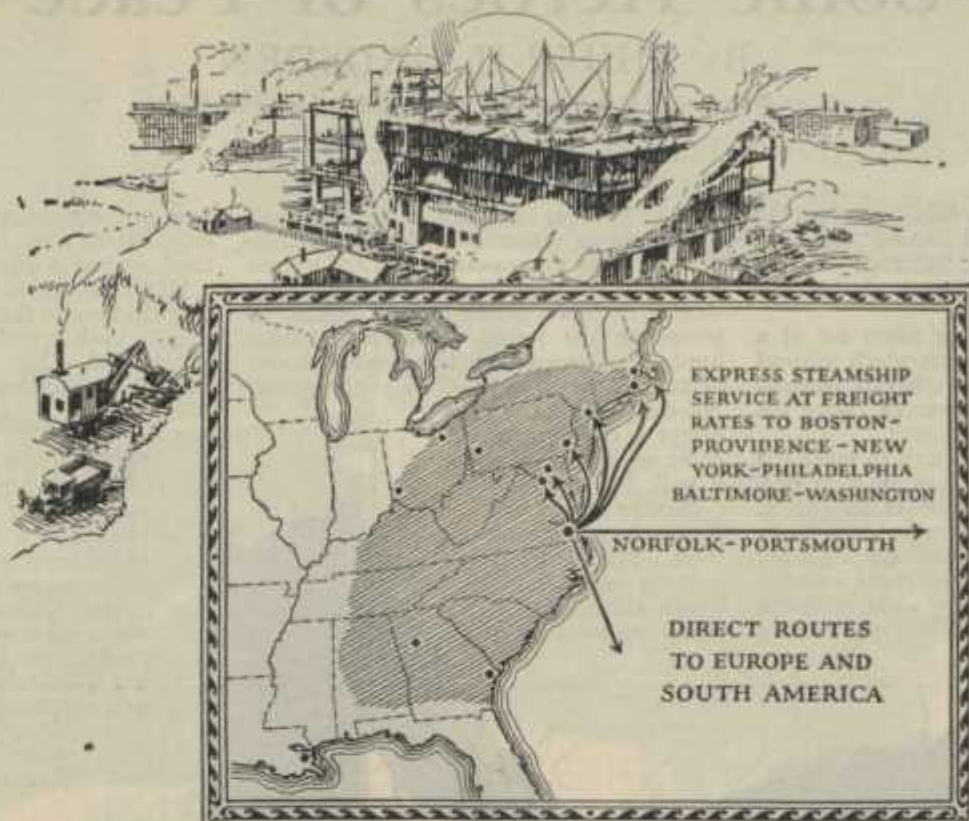
"I don't know," was the response. "I have been using them interchangeably to avoid using the same word twice."

"I believe we learned here the other day," Associate Justice Oliver Wendell Holmes interposed, "that a 'realtor' charges a higher rate than a 'real estate man'."

Mr. Taft gave way to one of those chuckles, which became nationally famous when he was President of the United States and leaned back with the observation:

"That is about the same difference there is between a statesman and a politician."





## If you were starting in business today— where would you build your plant?

REVIEW the beginnings of countless manufacturing enterprises and you will find that many located their plants merely by chance—in the town where the owners lived—where an old factory was already established—for one haphazard reason or another. Sometimes these locations proved successful—but all too often they have placed a heavy burden on expansion.

Today industrial success depends upon the scientific selection of plant sites—coupled with efficient management of operation.

Situated just half-way down the Atlantic Coast, Norfolk-Portsmouth taps great fields of raw materials—cotton, lumber, coal, steel, tobacco. By sea, at low freight rates come sugar, molasses, rubber, iron ore, fertilizer materials, coffee, from the Mediterranean and South America.

Abundance of cheap fuel and plenty of high-class labor combine

to keep operating costs in the Norfolk-Portsmouth area at a minimum. Only 4.8% of the population is foreign-born. The moderate climate permits of year round employment for outdoor work.

And Norfolk sends its finished products everywhere. By land eight great railway systems, linked together by a jointly-owned belt line within the city's limits, place Norfolk within a single day's journey of over half the markets of the country.

From Norfolk's harbor—free all year from ice—express steamship service at freight rates cuts down the cost and time of distribution for Norfolk's finished products.

Let our industrial engineers prepare for you a survey of the Norfolk-Portsmouth area. They are prepared to discuss with you the particular problems relating to your own industry. All communications held in the strictest confidence. Address the Norfolk-Portsmouth Industrial Commission, Dept.—B, Chamber of Commerce, Norfolk, Va.



SHADED central section indicates territory where freight rates are cheaper from Norfolk than from a North Atlantic port. Rates to Pacific Coast are equal.



SHADED central section indicates territory where freight rates are cheaper from Norfolk than from a South Atlantic port. Rates to Pacific Coast are equal.



SHADED sections indicate territory where freight rates are cheaper from Norfolk than from a Great Lakes port.

# NORFOLK-PORTSMOUTH

## Chamber of Commerce



# Some Heroes of Peace

By PHILIP H. GADSDEN

*Vice-President, The United Gas Improvement Co., Philadelphia*

Illustration by Emmett Watson

"PARALYZED and helpless below the waist, he dragged himself along by his arms. Twenty feet away was the bomb, with its fuse growing shorter and shorter...."

That sounds like a piece taken out of a scenario for a moving picture which will end with the young soldier who, having received a Medal of Honor, is about to marry the banker's daughter. But it isn't.

With almost no change, save to make the bomb a live electric wire, it is the story of a negro lineman in the employ of an electric lighting company in Charleston, South Carolina. His specific job was to attend to arc lights, which the Police Department reported out of service. One stormy night, with the wind blowing a gale and the rain coming

to urge him on. And not an isolated case. Public utility executives will tell you hundreds of cases every year of men and women who have put aside their own safety, their own lives, and thought only of others, of protecting the public, of keeping service open. Sometimes there's a reward—money perhaps, a medal, a word of public praise. Sometimes there's nothing except a consciousness of doing one's job and doing it well.

Here's a story from Homer, a Nebraska town. Mrs. Mildred Lothrop was the town's chief telephone operator—

were in the greatest peril, not only of property, but of their lives. Mrs. Lothrop got them up and warned them to flee.

While she sat at the phone, water crept over the floor of the little office and mounted steadily until it washed over the shelf of the switchboard. Not until then did Mrs. Lothrop give up her telephoning.

## Awarded Gold Medal

THEN she waded through water breast high to reach a place of safety across the street. Just as she reached it a small frame house next to the telephone office was swept from its foundations.

Mrs. Lothrop was a hero of peace whose valor won recognition. She was awarded the Vail gold medal for 1920 and \$1,000 in money. Nor was her own community unmindful. Farmers down the valley for a long while kept her supplied with fruit and vegetables and cream,



He was helpless from the waist down, but he dragged his partly paralyzed body across the pavement till he could reach the rope.

down in sheets, he undertook to lower an arc light. As he touched it he got a shock from 3,300 volts. He was knocked to the ground, helpless from the waist down.

## Knew Lives Were Endangered

THE negro knew that buses from the railroad station would soon be passing through the street and that lives might be endangered by the arc light lying on the street. With the help of his arms he dragged his partly paralyzed body across the pavement until he could reach the rope attached to the lamp. He couldn't get to his feet, but by hauling hand over hand he managed by the weight of his body to lift the arc light out of danger. Then he fell unconscious in the roadway, where he was found an hour or so later by a policeman.

A true hero of peace, moved by a sense of duty, risking his life at a time when there was no one near to know of his bravery or

also, be it added, she was the town's only operator. That will give you an idea of the size of Homer. It had, in fact, 460 residents back in 1920 when the heroine of peace proved her courage. There may not have been much that was romantic about Mrs. Lothrop, but there was a lot that was brave and sensible.

That part of Nebraska had a cloudburst on the night of May 31, 1920, and Omaha Creek turned into a river too big for its bed.

At two o'clock in the morning Mrs. Lothrop got a call from several miles up the creek that the water was rising. Mrs. Lothrop did two things: She sent her sixteen-year-old son out to ring the fire bell while she herself set out to phone warnings to all subscribers of the danger.

Below the town, in the valley, the farmers

while the Homer Chamber of Commerce honored her with a resolution of praise.

The moving-picture hero who fights his way through blizzards and snow to save his starving fellow citizens is familiar to most of us. The public utilities companies can produce his counterpart by the dozen, men who take it as a matter of course that they should face death, who no more think of themselves as heroes than you and I do when we take off our overcoats in a steam-heated office and complain of the snow.

Here's the story of Harold Cromwell Daggett, a "combination man" of the Mountain States Telephone and Telegraph Company, out in Cheyenne. Election day, 1922, was a blizzard day in Wyoming. In fact, a storm began November 4 and was still in good going order on the 7th. Volunteers were asked to repair broken wires, and Daggett, who, incidentally, didn't know the country very well but didn't let this bother him,





## More Power to New York

**N**EW YORK CITY uses International Trucks and the list of the boroughs and departments they serve tells a significant story of motor hauling efficiency. This great municipality demands much of its trucks but not more than these trucks are giving.

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type of work, municipal and commercial, International Trucks are delivering utmost satisfaction. They have been doing this for over twenty years, just as other products of the Harvester Company have been giving good service for almost a century.

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Department of Water Supply, Gas and Electricity Sheriff's Office—Bronx	The City Record Hellerup and Allied Hospitals

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# INTERNATIONAL HARVESTER TRUCKS

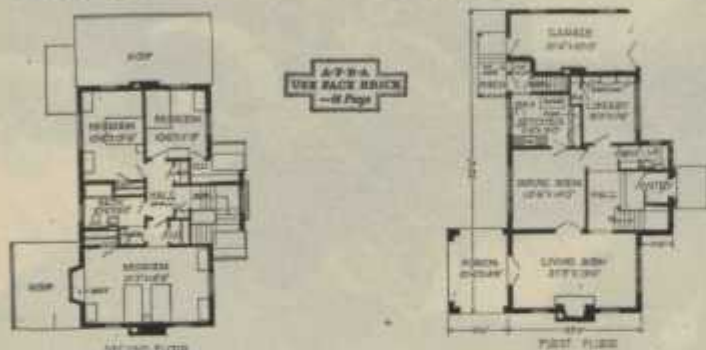
The International line includes a Speed Truck for 2000-pound loads; Heavy-Duty trucks ranging from 3000 to 10,000 pounds, maximum capacities; and Motor Coaches for all requirements. International has the largest Company-owned truck service organization in the world—112 branches in this country alone—the farther you go from one the nearer you get to another

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**T**HERE is a look of character and distinction in a beautiful Face Brick house that makes an impressive appeal to most home lovers. It expresses permanence as well as charm. And what surprises many home-builders who investigate Face Brick, is that the savings that come with this permanence—slow depreciation, high resale value, freedom from repairs, a minimum of painting, and lower heating costs and insurance rates—makes the Face Brick house, in the long run, the most economical to own. The facts are fully presented in "The Story of Brick." Sent free.

### Send for these booklets:

"The Story of Brick" is an attractive booklet with beautiful illustrations of modern homes, and discusses such matters as Comparative Costs, Basic Requirements in Building, The Extravagance of Cheapness, and kindred subjects. Sent free.

"Face Brick Bungalows and Small House Plans" embrace 120 designs of Face Brick bungalows and small houses. These houses are unusual and distinctive in design, economical to build, and convenient in floor plan. Issued in four booklets, showing 3 to 4-room houses, 5-room houses, 6-room houses, and 7 to 8-room houses. The entire set for one dollar; any one of the books, 25 cents. We can supply

complete working drawings at nominal prices.

"The Home of Beauty" contains 30 designs of two-story six-room Face Brick houses, representing a wide variety of architectural styles and interior arrangements, selected from 550 designs submitted in a nation-wide Architectural Competition. Sent for 50 cents. Complete working drawings for these houses at nominal cost.

"The Home Fires," a most attractive fireplace book, with many designs, gives full directions for fireplace construction. Sent for 25 cents.

Address, American Face Brick Association, 1730 Peoples Life Building, Chicago, Ill.

offered to go. He set out at 6:30 in the morning, following the line of poles across open country, stopping to climb poles and mend a break, then fighting on with snow up to his waist. He'd covered eleven miles of this sort of going when he finally got a horse. Mounted, he covered another 16 miles by nightfall with constant halts for pole-climbing. Then he called up Cheyenne to learn of another job of repair 3 miles farther on. He had been going for 15 hours without food, but that didn't stop him, nor did the fact that the new job was on the top of Sherman Mountain, some 8,000 feet above sea level, that the drifts on the way were shoulder high, that the wind at times was blowing better than 50 miles an hour and that his horse couldn't carry on.

Daggett, on foot, found the break, mended it and reestablished coast-to-coast communication for election night service. Then he fought his way back to his horse and spent an hour digging the animal out of the drifts. Then half leading and half dragging the horse, and following the toll line as a guide, he hunted for shelter. In the blow he lost the toll line and was fighting aimlessly but still fighting. About midnight he found a deserted bunk house, sheltered his horse in the stable and staggered to the door. It was locked, and he collapsed, too weak to force the door.

### His Clothes Frozen Stiff

**A**NOTHER hero of peace comes into the story at this point. Earl Jay Taylor knew that Daggett was out and in danger and at nine o'clock at night set out on horseback after the missing man. He was five hours getting to the spot from which Daggett had last reported, and by that time his horse was exhausted and there was no sign of the lost man. He thought of the bunk house, and with his horse trailing behind him scrambled through the snow to this possible refuge.

It was 2:20 a. m. when he got there to find Daggett, his clothes frozen stiff, sound asleep on the threshold. He broke down the door and dragged his friend inside. Too tired to build a fire, they rolled up in a cowhide robe, slept until morning and then started back through the snow for Cheyenne. It was night when they got back.

And all they had gone through was to both of them a part of the day's work—a thing that might happen to any of their fellows.

### Heroes of the public service!

These deeds were done but yesterday, yet the spirit that moved them is no new thing in the public utility world. It is nearly 40 years since Charleston was rocked by a frightening earthquake. William Connelly, day foreman of the gas works, off duty at his home, left his family and with a dozen others stuck at his post all through that terrible night. Their job, they knew, was not to seek a place of safety out of the way of falling buildings, but to see that a threatened city should not be left in darkness.

Out in Dayton, Ohio, a year ago the Rotterdam Building caught fire. Forty persons were trapped by the blaze. Their lives were in danger, not only from the flames, but the gas had not been turned off in the cellar, and there was imminent danger of an explosion. The firemen were trying to drown the flames to let some one get at the main service pipe in the front of the cellar when Fred Wunch, an employee of the local gas company, fought his way through the fumes and shut off the gas. Just a part of the day's job.

Only a little while ago in Syracuse, Wil-



# How economically do you reach The Kansas City Market

## To Food Manufacturers

The Kansas City market consumes one-fifth of the nation's food supply, spending approximately  $2\frac{1}{4}$  billion dollars annually.

## To Manufacturers of Iron and Steel Products

The opportunity of local manufacture of these products includes not only an outstanding marketing advantage, but also the availability here of fuel and raw materials, including steel bars, ingots and billets, steel sheets, bolts and nuts, and forgings.

## To Manufacturers of Oil Field Equipment

The Mid-Continent field is perhaps the largest user of oil field machinery and equipment. Kansas City offers an advantageous location and raw materials in abundance.

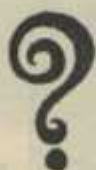
## To Manufacturers of Fixtures

A steady business and construction development in the territory is bringing increased demand for fixtures for offices, banks, stores, churches, theaters and public buildings. Raw materials are readily available.

More and more the needs of twenty million people in the Kansas City territory are demanding the attention of eastern manufacturers.

Actual experience already has proved to many of them the desirability of locating factories or branch houses in Kansas City, not only for economy in distribution, but to meet increasing competition with *better service to these millions of buyers.*

Nearly every industry can well afford to study the possibilities of this market



with the view of establishing itself here, where others have found ideal the excellent combination of location, raw materials, fuel and labor supply.

Our new booklet, "The Kansas City Market," makes it possible for you to review briefly the opportunities which this territory may offer your business. No matter what plans of expansion you have in mind, no matter how remote their final adoption may be, give this great market your consideration now. Send today for this late book.

## To Lumber Manufacturers

Kansas City offers an excellent advantage for storage-in-transit yards, for lumber, shingles, poles and posts.

## To Manufacturers of Boots and Shoes

Development of boot and shoe manufacture in the Middle West is steadily growing. The Kansas City territory buys in great volume, a Kansas City location offering distinct economy in distribution to the West and Southwest.

## To Manufacturers of Wood Products

The Kansas City territory is an important consumer of sash and doors, millwork, ladders, screen windows and doors and household products.

## To Manufacturers of Heating Equipment

Stoves, ranges, furnaces, radiators, boilers and other heating equipment have a tremendous volume of sales in the Kansas City territory.

**The Kansas City Industrial Land Company**  
219 Railway Exchange Bldg., Kansas City, Mo.

## Fairfax Facts

1. Contains 1,282 acres in a well developed plan.
2. Low taxes.
3. At the present stage of development it has four miles of concrete streets, water and gas mains, storm and sanitary sewers, electrical lighting and power facilities.
4. Six miles of truckage, the first unit in a network of thirty miles of railroad tracks.
5. Residence districts immediately adjacent and within walking distance offer an excellent supply of labor.

6. Cost of present improvements, more than \$1,500,000.
7. Planned to give maximum service to the manufacturer.
8. Within one mile of Kansas City, Kansas, business district, and within three miles of the Kansas City, Missouri, business section.
9. Direct switching connections with all railroads serving Kansas City.



# FAIRFAX

## Industrial Center of a Great Market



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Faced entirely with Terra Cotta

**M**ANY of America's finest office buildings are faced with Terra Cotta. This is one of many fine Terra Cotta structures lining Michigan Avenue, Chicago.

In New York the skyline of lower Manhattan is largely a silhouette of Terra Cotta. So also to a great degree in our other large cities.

Obviously there's a reason. Send for our illustrated booklet on office buildings which tells you why.

**NATIONAL TERRA COTTA SOCIETY**  
19 West 44th Street New York, N. Y.

ham Brown, a fireman of the Syracuse Lighting Company, proved his heroism. The Mitchell block was ablaze; and when Brown got there, the cellar, where the gas and electric meters were, was filled with water and the fumes of ammonia from a refrigeration plant. Although there was danger that walls and floors might collapse, he fought his way through the flood and the choking air of the cellar to turn off the gas and the electric current.

An effort was made to float him across the cellar on a derelict table, but this capsize, and he was hurled into the water. He then swam through the flood to the meters, with a rope fastened around his body by the firemen. After completing his task, he struggled back to the cellar stairs nearly exhausted, and was aided to the street.

It was a like spirit that moved Byron Ernest Thady, a twenty-year-old night switchboard man out in Pueblo, Colorado, to stay after twenty hours in a flooded building.

"It's a cinch I didn't do any more than I should."

Pueblo was flooded in June, 1921, and the telephone building was one of the worst sufferers. Thirty-nine operators were marooned in the building, and part of the job the boy took upon himself was keeping them cheered up. Many times he waded waist-deep in water to rescue records which he knew would be needed in restoring telephone service.

## Door Closed Behind Him

**T**HADY was at the test board trying to reach Denver to tell of Pueblo's trouble when the water began to spurt through the cable ducts. He stayed at the board until it went out. Then he began to make his own jobs. Lights were out on the first floor, and he remembered an oil can in the engine room. Wading to it, through water waist-deep, he got the can and some rags for wicking. By the meager light of these hastily improvised torches he began rescuing the subscribers' records and the cable records, making half a dozen trips to the various floors.

On the last of these trips one of the heavy fire doors closed behind him and was held tightly shut by the wall of water. He found his only means of escape cut off. Holding the records he was trying to save high out of the water, he managed with his free hand to open the door just far enough to wedge his foot in. Then he wormed his body through and climbed to the second floor.

That was a part of a long night's work which ended with the rescue of the telephone girls the following morning. A brave deed by a boy of twenty.

It would be easy to carry this record on almost indefinitely, but I want to tell only one more incident. Lack of ability to set the river on fire is common, but the hero of this final story wasn't afraid to face a river on fire.

He was Charles E. Rider, a station installer of the Southwestern Bell. Word came to the office at Guthrie, Okla., where he worked, that a Santa Fe train had been derailed on the Ammaron River bridge. The train was made up of tank cars of gasoline and oil and flat cars of lumber. The gasoline exploded and soon the surface of the river was a sheet of blazing oil.

The main telephone toll wires from Chicago to Texas were put out of service. Rider tried to get a boat from a railway employe, but permission was refused. Then Rider drove to a lake some miles away, got





## This fleet of 31 Pierce-Arrows began with 2 "trial" trucks

Back in 1911 the Bichl Teaming Co. of Chicago purchased two Pierce-Arrow trucks. Immediately these trucks were put to the severe daily grind of hauling bricks. Their performance records were watched closely.

Each of these trucks at the end of 200,000 miles had demonstrated its ability so thoroughly and so convincingly that the company purchased ten Pierce-Arrow trucks. A year later four more were added. Today the fleet numbers thirty-one Pierce-Arrows—twenty-six 7½-ton and five 3-ton trucks.

Such cases do not come about haphazardly. They are based on dependable, low-cost

delivery service. They illustrate why the demand for Pierce-Arrow trucks is greater today than at any time in the history of the company.

\*\*\*

The nearest Pierce-Arrow representative will gladly give you valuable facts on what silent, powerful Pierce-Arrow trucks are doing in your line of business.

**\$3500** and up for chassis. Sizes:  
2, 3, 4, 5 and 7½ tons  
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Six-cylinder Motor Bus prices upon application

*Terms if desired*

THE PIERCE-ARROW MOTOR CAR COMPANY  
Buffalo, N. Y.

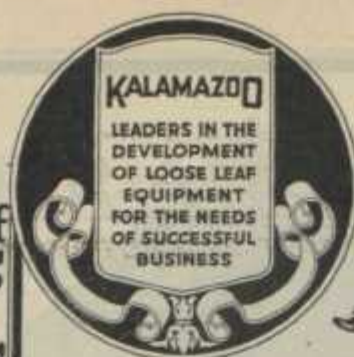
# Pierce Arrow

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Heavy Duty* Trucks

When in Buffalo, visit the Pierce-Arrow factory. Capable guides will show you how Pierce-Arrow trucks and busses are built



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## How a Senator Earns His Money

**SENATOR GEORGE MOSES** of New Hampshire will tell you in the April **NATION'S BUSINESS**.

When we told one Congressman about the forthcoming article he said, "I can tell you what a Congressman is. I'm 90% errand boy and 10% statesman."

We won't say now what Senator Moses has up his sleeve, but you can be sure the article will be interesting and full of meat.

his own boat, and came back through Guthrie, stopping to pick up repair material. Back at the river, Rider put out in his boat, carrying a duplex wire and restoring service between Chicago and Galveston.

He made repeated trips across the river, which at the time of the accident was full to the banks and running in a raging torrent. On account of the current it was necessary for Rider to row within twenty-five feet of the burning bridge, on which was a smashed tank car which was expected to explode at any minute. He was in danger, too, of being carried into the blazing oil and lumber, or of being upset in a craft too frail for a river in flood.

### A Fine Spirit of Service

**T**HERE'S no need to go on with the stories. All that I wanted was to show the fine spirit of service that actuates the men who are fighting a never-ending war against fire, flood and storm to keep continuous service for your comfort and mine. Think of a city without gas, electric light, street railroads or telephone, and think of the bravery, the indifference to danger that marks the men who watch every hour of the twenty-four to keep the gas flowing, the light burning and the cars running.

From the very moment a man enters into the public utility service the fact is impressed upon him that under no circumstances must their service fail; no excuses can be accepted; so that when his time comes to keep gas flowing through the town that its inhabitants may be fed, or to repair a telephone line that communication may be maintained to a stricken city, or to restore electric light or power service that the community may be lighted and its industries revived, all of the instincts of his nature which have been strengthened and stimulated by the traditions of the service and by association with his fellow employees, urge him on, even at the risk of his life.

## As France Sees Us

**S**OME power has recently favored us in this country with "gifties" that have enabled us, through the reports of several observers of our economic life, to "see ourselves as others see us." Pierre Chabert, chairman of the Committee for North America of the French Comité National des Conseillers du Commerce Extérieur, has published the result of a study of the American market.

M. Chabert begins by testifying to the prosperity of our industries, to the immensity of our home market, and to indications of still further expansion. He intimates that we have been a bit spoiled by nature, that we always have our ears to the ground—or the air—for a boom, that we kid ourselves along; but thanks to nature, energy, ingenuity and freedom from tradition, we arrive. He believes that our business life as a whole is on a sound basis and that the absence of excess stocks, cautious buying by dealers, the stability engendered in the banking world by the Federal Reserve Board, and above all the substantial bases of our economic structure as represented by our agriculture and our wealth of raw materials, tend to indicate continued activity with liberal remuneration to labor and substantial rewards to enterprise.

The increased tendency of American capital to become interested in productive industries abroad and in the exploitation of the natural resources of foreign countries he re-



# ATWATER KENT RADIO

The biggest factory—*but that's not all*

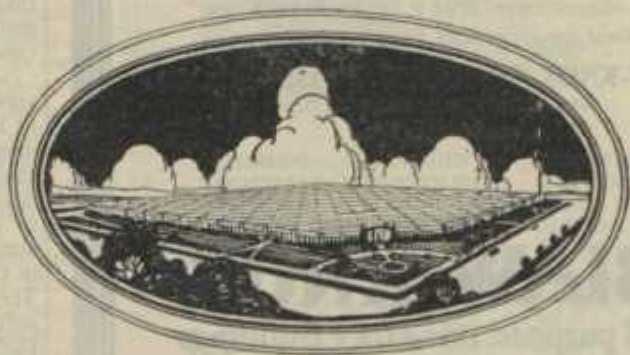
Our radio factory covers about twelve acres and is still growing. It was the largest in the world even before we gave new evidence of our faith in Radio by letting a contract for a 3½ acre addition.

In this great factory we are making Receiving Sets and Radio Speakers as carefully as if it were the smallest factory in the world and we had a reputation yet to win.

Before a set is permitted to leave the factory it has been subjected to 159 inspections or tests. One employee in every ten is an inspector or tester.

That the public appreciates integrity in manufacture is indicated by our sales. They were much larger in 1925 than in any previous year.

We have invested our money in building and enlarging our factory because we are in the radio business to stay.



ATWATER KENT MANUFACTURING CO., 4812 Wissahickon Ave., Philadelphia, Pa.

*A. Atwater Kent, President*



# BLAW-KNOX

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### STEEL BUILDINGS



## Expansion and Contraction

In the selection of a steel building, one of the essential points to be considered is proper design and construction of roof and side wall sheets to provide adequately for expansion and contraction.

Summer temperature changes will cause the shell of a steel building to creep along the frame from two to three inches every hundred feet unless it is tied down securely or provision made for absorbing this expansion or contraction.

The tremendous power of heat and cold is undatable. Heavy steel railroad rails when laid in cool weather must be separated that warmer weather does not bring warped rails and wrecks.

Consider then the result of rigidly bolting or riveting steel building sheets. Enormous strain follows and the result is, buckled sheets, loose joints, rust and leaks.

The detailed illustration shows the patented method used exclusively by Blaw-Knox for joining these roofing and side wall sheets. The interlocking cap securely holds them together, at the same time allowing ample play for expansion or contraction.

This means that Blaw-Knox Standard Buildings are tight when they are erected and will stay tight.

And inspection of Blaw-Knox Buildings, particularly those which were erected ten or more years ago, will show why they are the lowest-cost-per-year steel buildings, and it will also show the wisdom of acting on the suggestion—"Put it up to Blaw-Knox."

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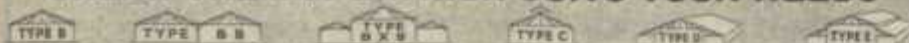
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gards as a fortunate development. In this movement he sees the logical corollary of high tariffs and restricted immigration, making it in many cases more profitable for American industries to manufacture abroad for foreign orders. As to our tariff itself, while deploring its effect upon French trade and expressing the hope that an eventual modification of certain rates will facilitate the sale of French specialties in the American market, he is nevertheless convinced that it is a determining factor in maintaining our high wages and high standards of living.

### A Market for French Goods

IN THE third part of his report, M. Chabert covers the possibilities of the American market as an outlet for French goods, the methods by which French products may best be introduced, and the value of various French organizations and agencies devoted to the promotion of French interests in this country. To French manufacturers he says in effect: "You offer too much variety in your products. Stick to two or three articles, launch them on the market with an intensive and intelligent advertising campaign. Above all, realize that there is no limit to the capacity of the country to consume and to absorb. Grasp the fact that 110 millions of Americans, because of their purchasing power, represent 400 millions of ordinary consumers. They are naturally spendthrift and never consider the price if a thing pleases them. Send quantities of samples, and at frequent intervals." He particularly advocates an increased cooperation with American industry on the part of French business. Instead of endless patent suits, etc., "Is it not preferable," he says, "to establish an association of interests like that recently concluded, whereby one of our great textile firms has conceded to an American company, on a royalty basis, its rights in all of its designs and patterns capable of being reproduced in America?" M. Chabert feels that there are still numerous French specialties which will find a ready American sale if properly marketed.

The fourth part of the report is devoted to a discussion of that highly controversial subject, the French debt, which, he maintains, will ultimately have to be paid in goods. With good faith on both sides, the two parties to the transaction misunderstand each other fundamentally, he claims. "The most important thing about the whole matter is for the French to realize the position taken by Americans and adopt the proper methods to acquaint them with our actual condition, which they do not understand."

The two peoples have different points of view; until it is possible to make them agree, or at least to bring them nearer to an agreement, it is useless to negotiate. "The absence of unemployment in France, which is often cited by Americans as an indication of prosperity in that country, he dismisses dramatically with the statement "They are in their graves, our 1,600,000 unemployed!" The favorable balance of French trade is only a very recent phenomenon and one not likely to be lasting, he claims, while the foreign investments of Great Britain and the United States,—those outstanding means of liquidating foreign indebtedness,—comprise fully four-fifths of the world's invested capital by means of which international payments can be readily transferred.

In spite of the difficulties with which the necessary exchange of goods and payments between the two countries now appears to be fraught, M. Chabert is not without hopes that the solution may yet be found.—A. M. B.



## The London Times Lauds Chamber

IN COMMENTING on a meeting of the International Chamber of Commerce, the *London Times Trade and Engineering Supplement* recently had occasion to call attention to the spirit abroad in America, as evidenced by the activities of the Chamber of Commerce of the United States. The International Chamber has, from its inception, been heartily supported by the *Times*. It pointed to the American Chamber as an extraordinary example of "this getting together for the benefit of the community," which it thinks typically American and wholly sound.

It has been computed that in Great Britain more than 3,000 trade associations of various types exist, with functions that often overlap and cause confusion through lack of information and a misunderstanding of the aims of others. The *Times* observed that the commercial interests will never be adequately represented in Parliament until they are better organized on a wide democratic basis, embracing all the activities of the business world. To quote: "There will always be room for affiliated associations devoted to particular phases of commerce, but there should be one focusing point through which the Government and the public should be kept informed of business opinion."

The editor then reminded his readers that the U. S. Chamber, only 13 years old, includes nearly a million in membership. Mention was made of the inscription carved on the walls of the new Chamber building. The inscription is from the pen of Daniel Webster, who resided on the spot where the Chamber now stands. It reads: "Let us develop the resources of our land, call forth its powers, build up its institutions, promote all its great interests, and see whether we also, in our day and generation, may not perform something worthy to be remembered." A fine thought, this editor believed.

The speech of William Howard Taft at the dedication was reprinted in part, as follows:

"One of the difficulties in securing the useful aid of the public in the direction of government is the lethargy of the ordinary citizen and his indisposition to develop an interest in the important general questions presented, and to use the information available to him, and to exert the needed mental effort to make decisions and formulate his views."

Mr. Taft declared that it was not enough to have intelligent men in our citizenship, nor was it enough to spread education as far as possible; "we must also arouse the active interest of those who must be the individual units of the many whose united views are public opinion." That, he thought, was the greatest function of the Chamber.

"Taken together you have no selfish or other aim, narrow and contracted, that blinds you to the general good. You are not cranks. You are not men of one idea. You have in you as a whole the catholic spirit of good-will to all elements of society. By proper methods you aim to diffuse that spirit through your membership. Nothing can help more in this way than to stimulate the inquiry of all your members into every public question of importance that presents itself for settlement by those charged with the government of the country."

The *Times* concluded: "The Archbishop of Canterbury says that we need better sermons. Here is one for business men that lacks nothing in candor nor in its lofty conception of good citizenship."

## BURNING ALL KINDS OF FUEL

**P**OWER stations making records for economy with all kinds of fuel are among recent Stone & Webster work. They include stations with stokers burning a wide range of coals, and stations burning pulverized fuel, oil, and natural gas. Some of the coal burning and some of the oil-burning stations are designed for changing at any time to pulverized fuel. Where gas is burned, the stations permit changing to oil or pulverized fuel. This Stone & Webster experience, covering conditions in all parts of the country and with all kinds of fuels, is offered to those contemplating new plants or extensions.

Including the plants here shown, Stone & Webster installations for industry and the public utilities exceed 2,500,000 horse power.



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Company, Baltimore, Md.



BITUMINOUS COAL  
The Edison Electric Illuminating Co. of  
Boston—Ridge Station



OIL  
(or Pulverized Fuel)  
Michigan Electric Company,  
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Herbert Hoover, Secretary of Commerce.

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What Secretary Hoover says holds true for cleaning operations also. Industry has learned that it cannot afford to rely on the chance results of obsolete, wasteful practices. The consequences are too costly, the pace of competition too swift.

For seventeen years Oakite materials and methods have been pointing the way to better cleaning, with less waste, at lower cost. As a result, over 18,000 concerns are now benefiting from the economies of cleaning the Oakite way in more than 300 different lines of industry.

We are ready to prescribe better cleaning methods for your plant, also, and to stand squarely back of our recommendations.

**Oakite Service Men, cleaning specialists,  
are located at:—**

Albany, Allentown, Pa., \*Atlanta, Ga., Baltimore, Boston, Binghamton, \*Brussels, Buffalo, Camden, Charlotte, N. C., \*Chicago, \*Cincinnati, \*Cleveland, \*Dallas, \*Dayton, \*Denver, \*Des Moines, \*Detroit, Erie, Flint, Mich., Grand Rapids, Harrisburg, Hartford, \*Indianapolis, \*Kansas City, \*Los Angeles, \*Milwaukee, \*Minneapolis, \*Montreal, Newark, New Haven, \*New York, \*Oakland, Cal., \*Pacifica, Philadelphia, Pittsburgh, Portland, Me., \*Portland, Oreg., Providence, Reading, Rochester, Rockford, Rock Island, \*San Francisco, \*Seattle, \*St. Louis, Syracuse, Toledo, \*Trenton, \*Waco, \*Worcester, \*Wilmington, N. C., \*Wilmington, Pa., Worcester.

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344 THAMES ST. NEW YORK N.Y.

## The President's Views on Finance

*Recorded by James L. Wright, a Regular Attendant at the White House Conferences*

**P**OCKET-BOOK decisions have been reached by Calvin Coolidge on every phase of finance. It does not make any difference whether the problem is how Uncle Sam shall collect his \$10,000,000,000 from European debtors, or whether Uncle Ebenezer, out in the "great open spaces," shall take the tin can down from behind the clock to make his first payment on a radio bought on the instalment plan—the Chief Executive has given the matter serious attention, and has arrived at a conclusion.

That President Coolidge is money-minded, that he is an advocate of economy, and that he is a firm believer in the budget system of operation, not only for an institution as large as the United States Government, but for charitable organizations and even the home, are facts well known. However, the extent to which finances, international, national, state, municipal, and even family, have been occupying his attention these days is but little known.

### Views Found at Conferences

**A**TENDANCE at the semi-weekly conferences between President Coolidge and the Washington newspaper correspondents, at which various phases of the world's financial problems have been discussed, makes it possible now to give a comprehensive summing up of the views of the man in the White House as they relate to the subject of money generally. They can be stated as follows:

With reference to the collection of debts from European nations, to which the United States loaned large sums in the World War, the President believes that Congress should ratify all the pending settlements, six in number, negotiated by the World War debt funding commission, which with five previously ratified, will make definite commitments from eleven of the fourteen nations that borrowed from us during the great conflict.

If Congress concurs in his judgment, there will be definite obligations for payments at set times of two-thirds of the total loans abroad. Three nations have made no agreement for repayment, but France, now owing upward of \$4,000,000,000 is the only large debtor.

Concerning our national finances, President Coolidge is insisting that we at least shall maintain our present rate of retirement of the national debt, and to that end a sinking fund of \$400,000,000 a year is being created. This represents approximately two per cent of the present debt of \$20,000,000,000.

The President has been assured by Treasury Department experts that the entire national obligation can be wiped out in 25 years. As the principal is cut down, the interest charge is reduced, and more can be devoted to cutting down the principal. If the financial capacity of the country were equal to it, the President would like to pay off the entire national debt tomorrow, so as to stop paying interest.

State financial problems have come under the careful scrutiny of the President not only as governor of Massachusetts, but in their relation to the Federal Government.

Mr. Coolidge is unconditionally opposed to extension of the comparatively new system of "matching dollars," the system under which the Federal Government puts up a dollar for every dollar contributed by the state in enterprises ranging from the building of roads to maternity care.

As he pointed out in his budget message sent to Congress when the present session opened, the obligations of this sort, previously undertaken, will make necessary the appropriation by the United States Government this year of more than \$110,000,000 for state aid. The Chief Executive is convinced that the possibility of getting federal money often causes states to undertake large financial programs that they can ill afford, because they feel that if they do not get "their share" some other state will.

Generally speaking, Mr. Coolidge believes that the cost of municipal government, like all other forms of government in the United States, is too high. Government of all kinds, national, state, county and municipal, according to figures compiled by the United States Census Bureau, runs to nearly \$100 per annum for each man, woman and child in the nation. In other words, a family of five pays nearly \$500 a year just for government alone.

As to the individual American family, the President feels that the desire to own a home, to have better surroundings and more comforts in life, even the present tendency to buy commodities on the instalment plan, is entirely sound. He is satisfied that the modern system of extending credit, with its definite obligation to pay fixed amounts on certain days, is infinitely better than the old system of running an open book account at the store, with no plan or purpose of liquidating the obligation.

### Approves Instalment Plan

**M**R. COOLIDGE is convinced that the instalment plan provides credit for those who otherwise could not buy, and gives to the average man and his family luxuries they could not have if they had to pay cash for the entire amount at time of purchase. Under the old system with its open book account, the man who ran a store or conducted any other kind of business could not count on a certain part of his outstanding obligations being retired every month, as is the case today.

While some politicians are inclined to "view with alarm" the present tendency to buy everything from an electric flat-iron to a foreign-built automobile on the part payment plan, the chief executive, who willingly concedes that the new system may be overdone, is convinced that it has not yet reached the danger point in the United States.

Another element of confidence the President has in the instalment plan is his belief that the financing and bonding companies, which have been built up to carry this new system, have anticipated eras of depression that may come from decreases in employment, and an inability to meet obligations on time. He is certain they have cast an anchor to the windward.

The principle of the instalment plan is deeply ingrained in the President. One of



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*Beaver Falls, Pennsylvania*

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the reasons why he has been insisting that the promissory notes, given by European nations as emergency "I. O. U.'s" in the stress of the World War shall be changed to definite term obligations, is that he believes in that system of retirement of debts. He believes in it in international relations, in national relations and even family relations.

When the Democratic members of the Senate Finance Committee, which had under consideration at the time the new tax reduction bill, proposed that the present tax cut be increased from the \$330,000,000 annually called for in the measure as it passed the House to \$500,000,000 as advocated by Senator F. M. Simmons of North Carolina, ranking Democratic member of the Finance Committee, Mr. Coolidge came out flat-footedly against the plan, because it would interfere with his plan for a retirement of the public debt on the basis of at least 2 per cent a year.

Mr. Coolidge told his callers at the White House that if a greater tax cut than \$330,000,000 a year were made, it would be impossible to meet the administration objective of putting at least \$400,000,000 annually in the sinking fund for retirement of the national debt, because the present surplus of receipts over expenditures of the Government would be insufficient to meet the new drain on the resources of the Treasury.

#### Disapproves Deep Tax Cut

THE PRESIDENT explained that he regards a system of cutting taxes deeply, while paying interest on a huge national debt, as equivalent to borrowing money to pay the running expenses of the Government. Senator Reed Smoot of Utah, chairman of the Senate Finance Committee, in a speech made recently to the Senate, stated that "the interest on our national indebtedness, which is payable during this present fiscal year, is \$820,000,000 or an amount in excess of the entire expense of the Government in the year 1917," just before we entered the war. President Coolidge wants to pay off the nation's obligations just as rapidly as he can in the same way that he would pay off any personal obligation he might have as expeditiously as possible.

President Coolidge has not found it difficult to reach personal conclusions in the whole realm of finance, ranging from European debts involving millions to the way the average man with an income of a few hundred dollars a year shall meet his problems.

The President started life as a poor man, and two anecdotes, related by Frank W. Stearns of Boston, the President's most intimate personal friend, who spends much of his time as a house guest of the President and Mrs. Coolidge at the White House, gives an insight into the basis of the Executive's ideas as to finance.

"In the earlier days of the Coolidges' married life when a dollar was a good deal harder for them to get than it is now," said Mr. Stearns, "a book agent succeeded in selling Mrs. Coolidge a book for \$6, which discussed all the ills that man is heir to, and professed to give a cure for each.

"Mrs. Coolidge did not know that her husband had even seen the book until one day as she was going through it, she found written on one of the pages, well over to the back, these words in Mr. Coolidge's handwriting:

"Don't find in here any cure for a sucker."

The other little story, indicative of the way in which President Coolidge practiced



personal economy and thrift, related to a Sunday school picnic of the kind where one person brings a cake, another sandwiches, another ice cream, and so on.

"Mrs. Coolidge," said Mr. Stearns, "had arrived at the picnic grounds when one of her friends noticed that Mr. Coolidge was not with her.

"Where is Calvin?" asked the friend.

"Oh," replied Mrs. Coolidge. "He lost one of the macaroons out of the bag, and he has gone back to look for it."

## Brief Trade Notes From Far Places

A GREEK steamer, *Agamemnon*, is reported to have gone ashore at Tenedos. That shows how far down the ages the long arm of coincidence can reach. The original *Agamemnon* had some acquaintance with Tenedos, if the Greek poets have reported truly. The island lies off the Asiatic mainland just at the point where ancient Troy stood, and it was behind Tenedos that *Agamemnon* moored his fleet while he waited to see how his strategem of the wooden horse would work.

A BRITISH company is said to have made an offer to the Bulgarian Government to construct slaughter-houses and cold storage stations in different towns in Bulgaria, in return for a concession for twenty years of the sole right to export to England pigs, fowls, geese and eggs.

AN ENGLISH nautical journal recently reprinted the following stories:

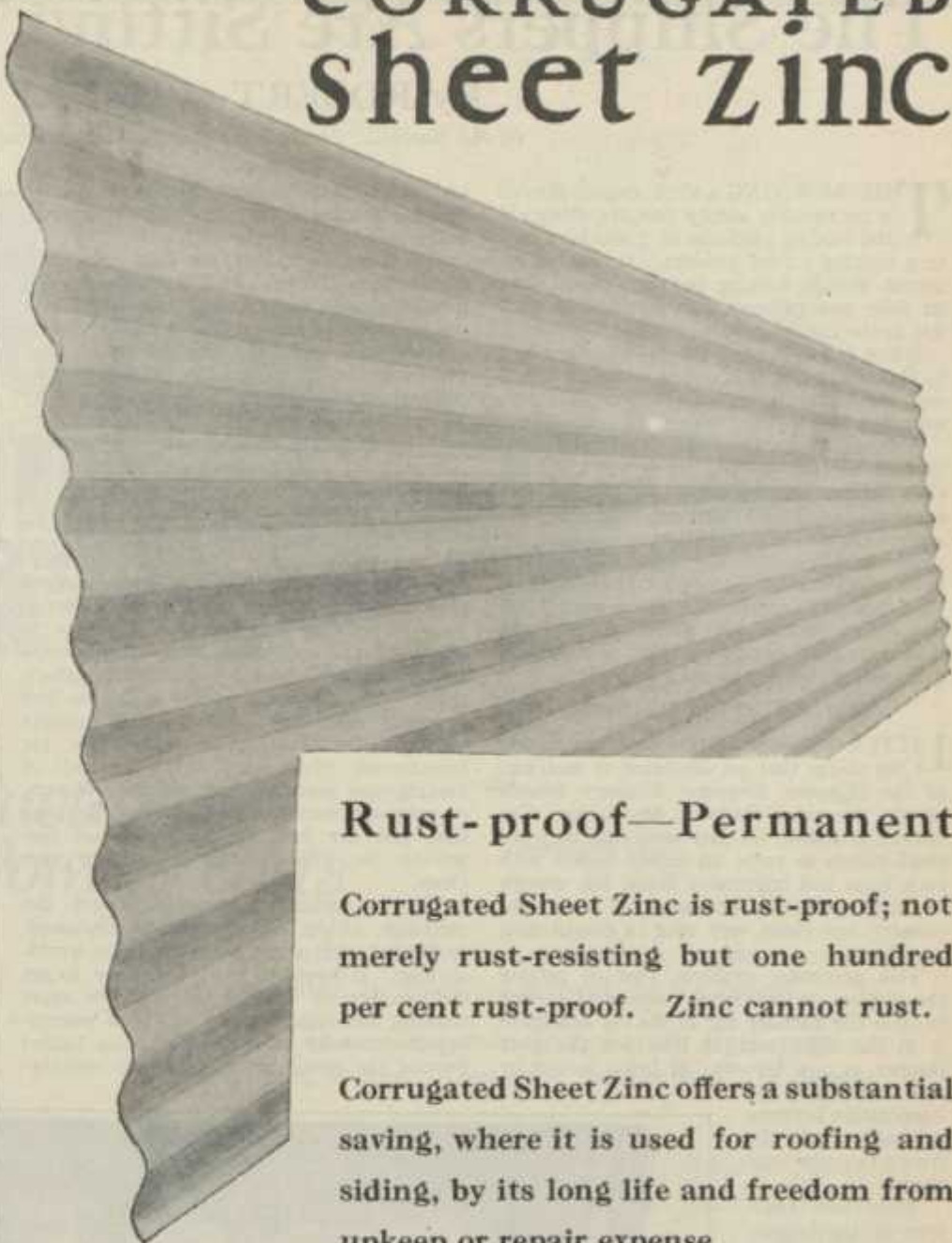
"Prohibition has brought various subsidiary problems to America. For instance, in the absence of champagne, how is a new vessel to be christened? American resourcefulness has risen to the occasion and solved the problem. A ship was recently renamed, her new name being '*Henry W. Breyer*.' Mr. Breyer, whose name the ship was about to bear, is an ice cream manufacturer of Philadelphia, so what could be more appropriate than that he should christen the vessel by breaking a 10-pound jar of his own special product over her bow? This ceremony Mr. Breyer duly performed. Doubtless he made a good splash." And

"Night descended over the sea as the storm gathered force. Some of the fittings had already been swept overboard. There were a few passengers and a valuable cargo. The captain, who had been growing more and more anxious, decided to send up a distress signal. A rocket was fired off. A few minutes later a solemn passenger, who had been roused from sleep by the noise, and had seen through a porthole the bursting rocket, made his way up to the captain. 'Captain,' he said, 'I hope I'm not a kill-joy, but it seems to me that this is no time to be letting off fire-works.'"

SHIPS carry odd cargoes many times, but one of the oddest surely was recently shipped from the Argentine Republic to Germany. It consisted of 150 tons of flying locusts and 1,000 tons of grasshoppers. They are known as "industrialized locusts" and will be used in the manufacture of fertilizer.

NEW BELLS were recently installed in many churches of South Jutland, it is said, to replace bells taken out for use as munitions during the war. Thus the usual process is reversed, for the replaced bells were cast from old brass cannon.

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# The Shippers Are Sitting in the Game

By ROBERT S. HENRY

*Of the Nashville, Chattanooga and St. Louis Railway*

**T**HE MORNING switch engine shoved a presumably empty box car alongside the loading platform of a southern factory making a food product. It was an innocent enough looking box car, closed, but its floor was covered with watermelon rind left in the car by its last consignee.

When it was opened the food factory had to shut down for half a day while all hands and the cook turned to the job of exterminating flies.

A consignee on the Gulf Coast received a carload of tile, shipped from north of the Ohio River. He unloaded the car, or was supposed to have done so, and the car started home, empty after a manner of speaking. When it had gone 600 or 700 miles of its return journey a connecting railroad refused to receive it. There were 3,000 pounds of broken tile in it. Finally the delivering road turned out part of a section gang and finished unloading the car.

## Things That Get Discussed

**L**ITTLE incidents of that sort are among the things that get discussed at meetings of the Shippers' Regional Advisory Boards of the American Railway Association, Car Service Division. It does seem that they are small things to come up before bodies with such large and impressive titles, but enough of such incidents, scattered all over the country, can come very near to constituting a problem.

This particular problem, that of getting the careless or indifferent receiver of freight to clear the dunnage out of the car and leave it in the right sort of trim for the next shipper, is in a fair way of being solved by this machinery of cooperation between railroads and the people who use them.

There are fourteen of the boards, the first one organized in the northwest three years ago, the latest organized in New England just last summer. Among them they cover the country and bring nearly ten thousand shipper-members into closer contact with the operating and traffic officials of the railroads. They afford the shipper, large or small, but particularly small, a ready and convenient forum where he can get things off his chest.

The procedure of the boards is informal, their functions advisory—but for all that, they are having a great hand in the improvement

of railroad service that has been such a striking feature of business life these three years past.

Full board meetings are held quarterly. Committees charged with work on special problems meet more frequently. Chairmen and members of the various commodity committees into which the boards are divided, are available to handle the suggestions or complaints of shippers at any time and any place. Such of these as are valid, and cannot be taken care of informally by committee members, may come before the full board meeting.

## At a Typical Board Meeting

**A**T A fairly typical board meeting there will be from fifty to two hundred shippers, representing twenty or more lines of business. There will be, perhaps, twice as many railroad men, representing transportation, traffic and claims departments principally. And they will spend a day or two earnestly discussing such practical matters as rules for distributing cars, rules for transferring excess loads, better methods of loading cars, more accurate weighing of cars, or ways and means of cutting down the time that cars are held in terminals—not forgetting the little matter of getting cars clean.

There's nothing perfunctory about the meetings, either. The problems discussed, to the outsider, might not seem to be world-shaking. It would be hard, I imagine, to get the country all worked up over the exact wording and interpretation of a rule governing the transfer of loads from cars loaded beyond the maximum limit, but a seventy-

word rule covering that subject has received very earnest discussion before the Southeast Board.

As one of the shipper members put it in the latest public discussion of the matter, "If we are going to do the thing, we want to do it right, and we don't want to have any Interstate Commerce Commission case over it to deal with."

Let it not be thought, however, that the Shippers' Advisory Boards are exclusively concerned with such subjects as proper regulations for handling overloaded cars, or getting rid of watermelon rinds from "empty" cars. There is hardly anything connected with the operating side of the railroads which has not been discussed by the boards, with results that have been a large factor in the very successful transportation performance of these present days.

While the boards have been eager to get cars fully unloaded, they have been just as anxious to see that they were fully and efficiently loaded. Had the pig iron moving from Alabama in 1924 been loaded as it was just a few years back it would have required nearly 45,000 cars to handle it. It was actually handled in 33,256 cars,—nearly 12,000 cars saved for other shippers.

## A Sort of National Sport

**R**ESULTS of this sort aren't brought about entirely by just keeping up the shipper's interest in the fullest possible use of the equipment. It takes a lot of earnest study, especially in the handling of lighter and bulkier commodities. Better loading plans have been worked out and through the boards made available to whole industries.

Besides, careful check has been kept of the trend of loadings, and results or the lack thereof have been reported at the board meetings.

Getting more tons into the car has become a sort of national sport with habitual shippers.

Neither emptying cars nor loading them avails much if the cars are not to be had when needed. The Car Service Division of the American Railway Association is charged with the duty of marshaling the country's supply of cars to meet the needs of various industries and various sections at various times of the year,—a job with a deal of variation, as may readily be imagined. It is in this phase of car service work that some of the



This is what happens in a freight car when the load is not properly anchored. Good anchoring is just as important as good packing. The Shippers' Advisory Boards are concerned with getting freight cars efficiently and fully loaded, and then getting them fully unloaded again.





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most notable contributions of the Shippers' Boards have been made.

Not every car will do to handle grain. It must be a good, tight, clean box car. There used to come a time every year when the supply of that sort of cars in the northwest was a major transportation problem, and the distribution of what supply there was to the various classes of grain elevators was no job for a nervous man.

In 1924 there was no such situation. Not only were there enough cars but they were distributed to the satisfaction of all concerned. One reason was that the grain committee of the Northwest Board had worked out for the territory a new set of car distribution rules which the railroad had accepted and put into effect. It took the committee a good many months to get it all worked out to suit—but it ended a seven-year-old dispute, which had been to court once or twice, and it worked. The heavy 1924 grain crop rolled to market smoothly and promptly.

### Drought in the Cattle Region

THREE years ago there was a drought in the cattle region of the southwest. It became necessary to get the stock out in a hurry to save them. Stock cars were rushed into the territory from all directions, but neither individual railroads nor state commissions were able to allocate them according to the exact needs of the job in hand. More than half the cars that had been rushed in had to be returned empty to the lines that had sent them. Last year, in a somewhat similar movement, there was hardly a wasted car. The livestock committee of the Southwest Shippers' Board had come into being in the meanwhile and was able to tell where the cars should be sent and how many were needed.

Examples could be multiplied, but they all would go to show the same thing, that organized shippers' cooperation is a big factor in railroad performance.

A not unnatural effect of such cooperation has been the practical disappearance of complaints to the Interstate Commerce Commission on service matters. During the first full year of operation of the boards, thirty-eight matters of such importance that they would have been major disputes before the Commission were satisfactorily adjusted. During the next two years there was hardly a single complaint to the Commission dealing with car service and transportation matters, as distinguished from traffic and rate questions. A better way had been found.

This does not mean, of course, that there have been no complaints. Railroad men and shippers being human and fallible, there will always be differences of opinion and complaints about service. The Shippers' Board organizations find one of their chief fields of usefulness in providing a ready and informal channel through which complaints of this sort can be handled.

If the little shipper feels aggrieved, he need no longer let his grievance fester and rankle inside of him. He can put it before the handiest member of the commodity committee for his particular line of business, who either directly or through his chairman can handle the matter, if it has merit, with the railroads.

In view of this fact it is interesting to note that at board meetings one commodity committee after another will report "no complaints, service 100 per cent."

The fact that the Board exists and meets, that its proceedings are widely published, that it offers a place where the opinion of



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## What about the "Eye Value"?

**P**ICTURE in your mind the old style washing machine—made of poorly varnished wood, the trade name stencilled in black, and the whole contraption bolted to a collection of clumsy, brittle castings.

Dad and the boys grunted it into the kitchen on Monday morning, and groaned it out at night.

Compare this picture with the welded-pressed-steel machines of today. Light enough to be guided quietly into place, practically unbreakable, enameled a glistening gray or white—sanitary, smooth, sleek, clean-cut. And there you have not only a perfected machine, but—"Eye Value".

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the whole shipping world can be focused on any shipper's particular service problem, is in itself a strong guarantee of fair dealing by both shippers and carriers.

Michigan farmers raising potatoes came to the conclusion that the old-line potato-buying houses weren't giving them all that they should for their crop. Cooperatives were organized. The cooperatives felt that the railroads weren't giving them a fair split of available cars. The railroads felt that the cooperatives were ordering more cars than they needed—a practice that was common back in the days of car shortages. There were all the elements of a first class I. C. C. complaint in the Michigan potato situation.

The Great Lakes Board was organized. At first the potato cooperatives would have none of it. Finally they sent a representative. The quarrel between the cooperative and the old-line buyers became so intense as to threaten to break up the meeting of the perishables committee. But there were present others who were able to take a somewhat detached view of the controversy. They intervened.

The railroads were called into the thing, the whole situation was cleared up and peace descended upon the potato war.

These shippers' boards, it seems, recognize and give effect to the human element in the problem of supplying, distributing and using freight cars. And there's a lot of it.

## Quoting the President

**T**HERE is an unwritten rule governing the conferences which Washington newspaper correspondents have with President Coolidge every Tuesday noon and every Friday afternoon at the White House. It is that the President shall never be quoted directly, and as a result such a mythical person as the "official spokesman of the White House" is made to say such and such a thing, or the correspondents write that they "learned in high official circles" when they really were informed by the Chief Executive himself.

As a general thing, the rule works satisfactorily, but recently all attempts to camouflage the source of their news and at the same time tell a human interest story about the Chief Executive were so baffling that scores of men, who would not violate President Coolidge's confidence on any matter of state or consequence, were led into a technical violation of the rule governing their conferences.

A question had been asked President Coolidge about the speech of Rupert Hughes in which the author referred to George Washington as a distiller of whiskey, fond of cards, and a profane man. The President turned around, looked out the windows of the executive office toward the Potomac, and was quoted as saying:

"I see the Washington Monument is still standing."

This is the way the story should have been written:

Callers at the White House today made inquiry as to the views of the Chief Executive, relative to the address of Rupert Hughes in which the latter referred to the Father of His Country as a man who made his own liquor, played cards and used cuss words. It was learned in high official circles, on unquestioned authority—indeed, it was learned from the official spokesman of the White House—that Mr. Coolidge is inclined to the belief that the stately shaft on the banks of the Potomac River erected by a grateful and loving people as an everlasting tribute to George Washington, still is secure on its foundation.





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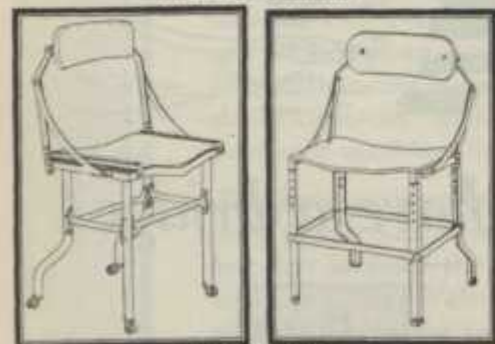
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Why put up with losses caused by employees who, incorrectly seated at their work, become physically unable to perform their daily tasks efficiently?

Do/More Chairs are designed to support the worker in a correct, healthful posture. They are not only beneficial from a health standpoint; they are also the most durable seating obtainable. The coupon will bring some interesting facts.

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Please send me complete information and prices on ☐ Office ☐ Factory Chairs.

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# Banking Through the Ages

A Review by Raymond C. Willoughby

WHEN Charles Lamb wrote his recollections of the South Sea House and of the clerks he had known there, memory held something of reverence for the great bare rooms and courts of the old counting house. To him they spoke of the past and prompted remembrance that

this was once a house of trade, a center of busy interests. The throng of merchants was here—the quick pulse of gain—and here some forms of business are still kept up, though the soul be long since fled.

But reverence could not restrain an innate fondness for gratuitous mystification of the reader, and the tacit admission of solemn mockery is supported with insinuation that "the very names . . . are fantastic, insubstantial like Henry Pimperl and old John Naps of Greece."

A more dependable service Noble Foster Hoggson has performed in his book, "Banking Through the Ages,"\* for in poking about the dusty ruins of antiquity, he has had the patience to discern the true names and fables of picturesque worthies and institutions of the early world of business, and he writes them down with appraising commentary. An amazing richness of detail makes interesting furnishing for this itemized history, giving invitation to a companionable enjoyment of the intimate glimpses of state and family finances of the long ago.

### The Back-bone of Commerce

THAT a primitive society could accomplish all necessary exchanges of goods and services without the convenience of money and banking is perhaps demonstrable, but it is now a matter of veritable evidence that "banking is the foundation on which is being built the great structure of modern commerce." Although only three centuries are required to span the history of banking as "a distinct branch of commerce and a separate agent in the advancement of civilization," the banker began his service almost with the beginning of society, and it is to disclose the origins of banks and banking that Mr. Hoggson has directed his powers of investigation. He must have found the job worth attending to, for the report of his research is convincing and informative.

If matters of fact give a strictly business character to a chronicle of business enterprise and expedient, matters of anecdote give a pleasant sense of fellowship with the men and affairs of a younger world—a sympathetic understanding achieved only with knowing what those men thought, what they said, and what they did. This craving for full-bodied characterizations is satisfied in part, but in a work of such brevity the author obviously must make occasional abridgment of his material to a pale, anemic mention of the names and worldly dignities of his figures. Even in this descent to the bare bones of portraiture, the ramifications of Mr. Hoggson's search reflect a creditable diligence and industry. There is honest wonder at the mere multiplicity of his revelations. The briefest inspection of his findings suggests consistent curiosity and prodigious energy; to wit:

That clay tablets inscribed in Hammurabi's reign put Babylon's rate of interest at 33 1/3 per cent; that fire-fused coins in marble floors distinguish the street of Janus in Rome as the Wall Street of its time; that the Greeks put their valuables in temples relying on superstitions awe for their security; that until 1826, the English reckoned deposits by means of notches on a tally stick; that the cow was once the chief standard of value in barter; that in primitive society the precious metals were regarded as merchandise; that the great house of Roths-

child took its name from the red shield on a little house in Frankfurt; that a part of the Medici coat of arms is now the emblem of pawnbrokers throughout the world; that the powerful bank of Amsterdam was organized to finance the voyages of Dutch ships; that the Vikings were explorers and traders, rather than pirates; that the Jews were the least commercial people of antiquity; that the discovery of America ended the preeminent commercial prestige of Barcelona; that the French revolution was in effect an epochal proceeding in bankruptcy . . . and so on, and so on . . . all items too important to lie a-mouldering in the graveyard of the world's commercial past.

Because he believes that "our sense of the actuality of ancient civilization is, perhaps, never stirred so strongly as when we look upon the scenes of their every-day transactions," the author is at considerable pains to give authentic pictures of the ordinary business of the time—as when he visualizes the customers of a Roman bank:

now a lawyer to deposit the fee won in the forum across the way; now a young patrician on his way to the circus comes to draw a thousand sesterii to bet on his favorite gladiator; now a Thessalian slave to add a little to the growing sum with which he hoped to purchase his freedom.

The daily routine of the bank included, he says:

the opening of accounts, the receipt of deposits, the issuing of bills of exchange, the furnishing of letters of credit, the making of loans, the purchase of mortgages; in fact, most of the transactions performed by the modern cashier and his assistants. Interest was paid on time deposits, such deposits being termed credits as distinguished from those which were subject to call, and on which no interest was paid.

Not always did the temples safeguard the valuables deposited in them. In the sack of the temple of Agylla even the golden beard of Esculapius was carried off by Dionysius of Syracuse, who cynically remarked, "You see how the Greek gods favor sacrilege." And what were treasuries in England for, if not for the power and the glory of the crown? So reasoned the Stuarts, Charles I and Charles II. This royal freedom with the people's money had two important consequences—the English national debt and the founding of the Bank of England in 1694—"unforeseeable fruits of the tyranny of the Stuart kings."

### Cattle Used for Money

NO MATTER what the form of the earliest money among our Aryan forbears, "it was curiously associated with cattle. . . . Cattle were what they chiefly had to barter for desired luxuries, and so cattle became the customary and eventually the traditional, standard of value. The Latin word for money, *pecunia*, is derived from *pecus*, cattle." Coinage was practiced as early as 690 B. C., for in the graven records of the Assyrian Sennacherib was found a description of the castings of huge winged lions for the palace, wherein the king explained that

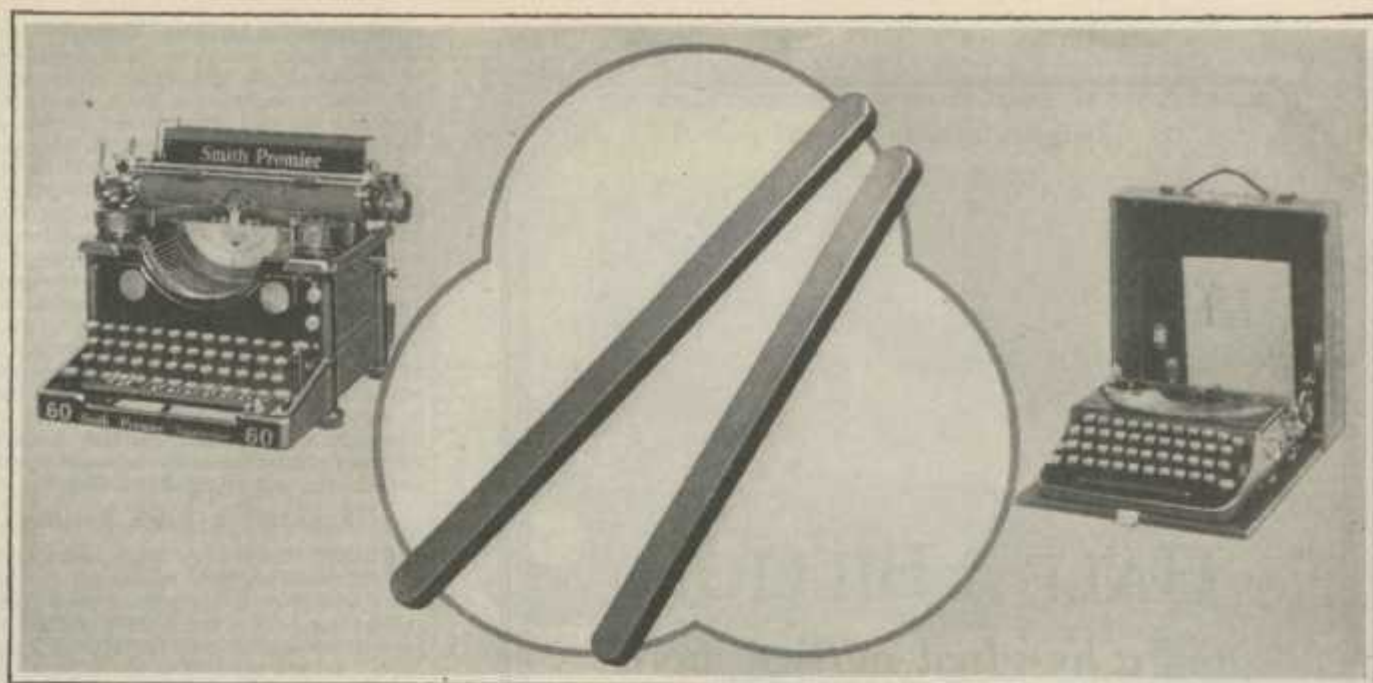
according to the commands of the god, I fashioned molds of clay, and poured the bronze as easily as though I were casting half-shekel pieces.

Perhaps the Lydians were the "first of all nations . . . that introduced the art of coinage of gold and silver," as Herodotus confides to Mr. Hoggson.

But plain or fancy though they may be, the coins of the ancients can never be so fascinating

\*"Banking Through the Ages," by Noble Foster Hoggson. Dodd, Mead and Company, N. Y., 1926.





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as the men who began the business of money-lending—reason enough for the elaborate account of the rise of the Rothschilds. Neither pomp nor circumstance marked the beginning of the house, for Amschel Moses Bauer, the first of the line, was only a tired and footsore peddler when he came to Frankfort from Hanover, and set up shop in the Judenstrasse. Over the door of his little store, as a sign, he hung a red shield. "From that house, named from that modest shield, sprang the greatest firm of international bankers of the next century—until our own day the most powerful family of money lenders the world has known."

Second of the line was Maier, "a smart boy" his father believed, when the son was able to set up as a banker in Frankfort after serving in the Oppenheimer bank at Hanover, "as a filial gesture he bought the little house with the red shield and assumed the name 'red shield' himself—the first of the Rothschilds."

#### Founding a Huge Fortune

MAIER'S third son, Nathan, went to Manchester, England, because of the cotton trade, and there by "supplying both materials and dyes, and selling the finished product, he expanded his capital from £20,000 to £60,000." Always he had believed in the ultimate defeat of Napoleon. In that belief he bought up treasury orders drawn by Sir Arthur Wellesley, later Duke of Wellington, which the treasury could not pay, and which were therefore selling at a considerable discount. If Napoleon triumphed on his return from Elba, Nathan Rothschild was ruined. But "as usual he was in a strategic position." The author quotes Thiers for the story of Rothschild's financial coup:

Rothschild was at Ghent. In the next house to him was Louis XVIII of France, driven into exile by Napoleon and now waiting the issue of the field of Waterloo. Through his window Rothschild could see what was taking place in the hall of the king next door. The only news of the battle of Waterloo that had yet penetrated the outside world was that Blucher had been defeated. Yet the watching banker saw a messenger from the battlefield enter the king's presence and kneel as though to a reigning sovereign.

This was enough for Rothschild. He felt sure Napoleon was defeated. He started post haste for London. Reaching Ostend he found a furious storm driving across the Channel. Still gambling with fate he paid a sailor 2,000 francs in advance to land him safely in England. In the morning he was able to take his place in the London stock exchange. None knew what he knew. What tidings the city had from Waterloo were bad. Consols were selling at bargain prices. Rothschild bought all he could lay his hands on. When the nation finally learned of Wellington's decisive victory the banker's profits amounted to £1,000,000.

Almost as engaging is the study of the Medici of Florence—a portrait of a family group done with broad, but considered strokes. With membership in the bankers' guild and fingers in the fiscal affairs of church and state, the Medici were dominant figures in many tremendous enterprises. Three of them, Giovanni, Cosimo, and Lorenzo, made the ring of the florin heard 'round the world of their times, for that Florentine coin "was an honest coin and instantly rang true among the various and somewhat dubious currency on which the world then depended . . . a standard of value because it was dependable in weight and pure in quality."

Under the glorified boss-rule of the Medici, Florence became more than a great city—it became the promised land for artists, literati, intellectuals of all sorts, forward-lookers, political schemers, pleasure lovers, men with messages, assassins, evangelists, hangers-on, and for simple, honest folk. If life in Florence was at times uncertain, it was always interesting. To a Florentine, exile was the most terrible of all punishments, for "Florence was not merely his



native city—it was his country, and loved and honored as such."

As practiced by the Medici the business of getting on in the world was a fine art, and so invisible was the force of their political manipulations that "they governed without letting it be suspected that the people had lost their power." In their prodigal hospitality to art and letters, as in their political patronage, they embellished the grand manner with the showy splendor of regal furbishings. The family expenditures seem to have been progressively lavish, for Lorenzo got himself known as "the magnificent"—an indulgent lover of the beautiful things of life, but no less astute and practical because of that love. What a sight he must have been when giving audience in the great hall of his palace—at one moment listening luxuriously to the report of an ambitious protégé, at another weighing the merits of an ingenious appeal to his bounty, and that business done, a little matter of repairing a defective part of the Medici political machine. A busy man of affairs, this Lorenzo—as much a commander, a captain, a chieftain when rated by the standards of the modern world as by those of his own times. And what city of today can boast the names to compare with Giotto, Michel Angelo, Andrea Pisano, della Robbia, Leonardo da Vinci, Machiavelli, Vasari, Boccaccio, Tasso, and Galileo? "Only Athens in the time of Pericles can be compared to Florence in the time of Lorenzo," the writer says.

### Interest Then Called "Usury"

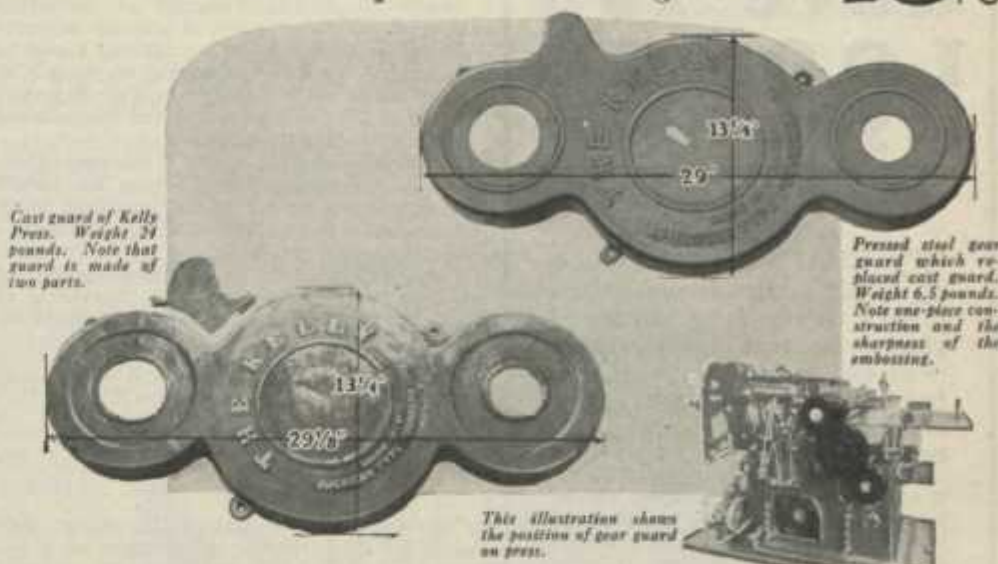
AT ONE place and another Mr. Hoggson has thought it worth while to consider the origins and implications of interest, a legitimate and necessary form of income only since the beginning of modern times. In the Bible are strong denunciations of receiving interest, or "usury" as it was known, signifying interest in its general quality rather than in its exorbitant character, as in the current meaning of "usury." Aristotle defined the viewpoint of many classical writers with saying that "money was intended to be used in exchange, but not to increase at interest." Both church and state opposed the taking of interest for money loaned for personal use, but by the fifteenth century, as Professor Ely has noted, "when opportunities for the profitable use of money had appeared in such forms as the purchase of rights to receive land rents, or partnership ventures in trade, where interest was held to be justified by the risk incurred, the canonists (the writers on church law) admitted the legitimacy not only of such gainful employments of money, but also in many cases, of interest on loans."

Before the canonical and civil approval of the practice of taking interest, the Jews had become the chief money lenders of the world by reason of edicts of the Christian church. A bull issued in 1179 by Pope Alexander III gave the fortunes of the Jews a tremendous impetus by excommunicating all usurers from the church. It did not, of course, include the Jews, with the consequence that it "only tended to make them still more valuable commercial agents, especially to kings and rulers of provinces. Israelites, as a result, became the money lenders for rulers in many lands and districts of western Europe. It was possible for them to lend the money of a prince at interest where a Gentile could not, if he wished to remain a good Christian. . . . So useful did the Hebrews become that some monarchs objected to having them converted to Christianity."

With the anomalous sanction of church and crown, the business of money-lending flourished throughout Europe, though its approval through fortuitous chance did not countenance the enjoyment of its usufruct by inheritance. Some of the practitioners got rich in the business, but "royalty preferred to believe that the Jews had no right to wealth gained by money-lending, and that it was mercy enough to allow them to hold it while they lived"—a convenient principle regularly set up as a justification for seizing the property of wealthy Jews after their deaths. These occasional profit-takings bright-

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Cast guard of Kelly Press. Weight 24 pounds. Note that guard is made of two parts.

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This illustration shows the position of gear guard on press.

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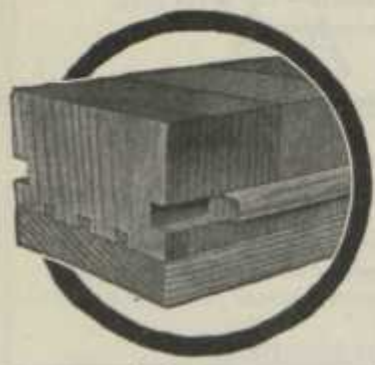
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ened the days of sovereigns, no doubt, with no bother to the royal heads over the agonies of lesser men in providing sizable fortunes ripe for a king's plucking.

Beneath the ferment and tumult of the social forces in the French revolution was the heaven of fiscal reforms—matters of practical accounting not so inviting in their emotional appeal to the student, perhaps, as the theatric panoply of that tremendous ordeal of the French people, or as the political implications and consequences of their sanguinary decisions.

To reveal the fiscal aspects of this epic adventure in government Mr. Hoggson has turned his scalpel, and he has got out something worth looking at—not the class consciousness or experiment complex usually turned up in historical clinics by dissection of the body politic of eighteenth-century France, but, marvelous to behold, three epigrams that vividly measure the course of the national malady.

"The state, it is I," of Louis XIV,

"After us the deluge," of Louis XV,

and

"The kings of Europe would challenge us. We throw them the head of a king," of Danton.

Crisp words of two kings and a citizen, they serve to chart the anguished fever of a nation bedeviled in its quest for cure with the

prankish prescriptions contrived from the unstable fabric of its own delirium. For what counsellor would sponsor the enormous issues of assignats, limited only by the capacity of the presses? Precedent enough, it would seem for the colossal inflations of a later century.

Not so clinical is the probing of the defunct bank of Amsterdam for the autopsy discloses only the stock phrase, "a run on the bank." Bad loans, bad bookkeeping, whatever lost faith for the bank, the true causes of its failure probably were buried with the good burgomasters who directed its course. Peace to their ashes, for "it must be assumed that the true condition of the bank was considered a state secret outside the realm of internal politics."

The palpable effect of this book is to set up a whole new gospel for the business of banking. It gets the reader in a fair way to answer affirmatively that a banker

has hands, organs, dimensions, senses, affections, passions; is fed with the same food, hurt with the same weapons, subject to the same diseases, healed by the same means, warmed and cooled by the same winter and summer, as a Christian is.

But more disturbing, it flouts the stubborn orthodoxy that business must be dull with the sparkling heresy of romance and a dash of gossip.

## "Pots and Pans" Diplomacy

**P**UBLIC INTEREST in the financial aspects of America's representation in foreign countries is brought to a timely focus in House Bill 6771, which would provide for the acquisition of buildings to house embassies, legations, and consulates abroad. Of the fifty-one diplomatic missions maintained by the United States, only fourteen are housed in government-owned buildings. In the cities of Berlin, Rome, Buenos Aires, Brussels, Stockholm, The Hague, Vienna, Budapest, Warsaw, and Lima, American diplomatic representatives occupy rented buildings for offices and residences, and receive no allowance for the cost of their residences—a situation that offers fresh confirmation to belief that only men of wealth can afford to accept the important posts, and invites the commentary from the Secretary of State, Mr. Kellogg, that

no matter how able a man may be, how learned in international law and diplomatic history, how skilled in negotiation, or how representative of the best in American culture, he is not eligible for appointment to most of the great diplomatic posts unless he has a large private fortune.

From Jefferson's time to this day, men in America's foreign service have reported the inadequacy of their compensation. From Paris, in 1783, Jefferson wrote to Colonel Monroe:

I find by rigid economy, bordering however, on *misanthropy*, I can save, perhaps, five hundred livres a month, at least in the summer. The residue goes for expenses, so much of course and of necessity, that I cannot avoid them, without abandoning all respect for my public character. Yet I will pray you to touch this string, which I know to be a tender one with Congress, with the utmost delicacy. I had rather be ruined in my fortune than in their esteem. If they allow me half a year's salary as an outfit, I can get through my debts in time. If they raise the salary to what it was (2,500 pounds), or even pay our house rent and taxes, I can live with more decency.

From another foreign capital a minister now in service presents a more direct advocacy of the purchase of a building for legation use. His

despatch to the Department of State says, in part:

"I hope that my comment will not be regarded in the sense of complaint, but as made in an effort to show how the present system not only limits the President's choice of ministers to men who can and are willing to spend their own money for the privilege of serving their Government, but it reduces the efficiency of ministers and their staffs and costs the Government in the long run more than the interest on the value of a legation.

"The American Government at the present time pays for the transportation of the household effects of a diplomatic officer both going to and coming from his post (but does not include his automobile) and it pays the rental of the offices or chancery quarters. It is possible that these items alone if capitalized would purchase a legation.

"However, it is the intangible loss in efficiency and effectiveness which should be emphasized. I came to this post when its duties were regarded as exceptionally heavy. Claims such as those of the ——— Company and the ——— Corporation were still unsettled and the debt of this government to the United States Government was still unfunded.

### I Visited Dozens of Houses

"I WAS expected to help adjust these matters and to familiarize myself within a few weeks with the economic and financial situation sufficiently to prepare a report for the Department and the World War Debt Commission on this country's capacity to pay. This I endeavored to do, but how much my report suffered from the necessity forced upon me of finding a house, furnishing it and getting settled, cannot be estimated. I arrived during the summer months. The living quarters adjacent to the chancery occupied by my predecessor had been given up, and the landlord was not expected to return for a couple of months. Under the guidance of a ravenous group of real estate agents I visited dozens of houses in an effort to find suitable living quarters. In some cases the owners were away, in others the houses were not suitable either for living or for chancery quarters; in still other cases the terms were unsatisfactory, and finally, after a two-month delay I was able to see the landlord



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of the quarters occupied by my predecessor, and I reached an agreement with him for a one-year lease. Then came the question of suitable furniture. We had shipped only a limited quantity from the United States. We were forced to undertake the homely task of getting sufficient chairs, beds, tables, etc., and of having those which were furnished suitably covered and upholstered. We purchased additional glass service, chinaware, silverware, and an unbelievable number of little things necessary to a living establishment. It finally reduced itself to the spectacle of a minister superintending the purchase of pots and pans for the kitchen, wash boilers and tubs for the laundry and suitable furniture and equipment for the servants' quarters.

"In the case of transportation, I felt that an American minister should drive an American car. I found, however, that the law not only made no provision for assisting the minister in meeting the expense of the purchase of such a car but that it denied reimbursement for the shipment charge of such a car from the United States. In spite of this I purchased a new limousine and had it shipped direct from the factory in the United States. This car, which is frequently referred to as the finest in the city, has greatly enhanced the prestige of American cars in this market.

"Under such trying conditions it was months before we were settled in the legation, and the test upon our patience was exceeded only by the obvious loss in efficiency at a time when I was endeavoring to render a maximum service to the American Government.

### System Wrong, Says Writer

"THE system is wrong. When it comes time for me to leave this post the same cycle of events will occur, with slight variations, as occurred in the case of my predecessor. I will cancel the lease of the present legation; I will dismiss the corps of servants who have become familiar with the duties of work in a legation; I will either ship my car or sell it for whatever I can get for it here. Our more valuable furniture will be shipped and the remainder will be sold or given away. When the new minister arrives he will find no living quarters and no furniture even of the most rudimentary kind, and he will have to begin at the bottom just as I did."

A frank and revealing human document is this dispatch, with an informative domestic exposure by a man convinced that the prestige of his country and the efficiency with which he serves it may be seriously impaired through the failure of government policy to keep pace with the requirements of his position. If there is a note of humor in the spectacle of ministerial dignity qualified with the prosaic purchase of "pots and pans," the picture is not likely to inflate the national pride, for penuriousness in this case will only proclaim to the world that America's boasted tradition of sound business judgment is only a charitable myth.

Two years ago in the passage of the Rogers Act, Congress recognized the justice of the principle of granting "representative allowances" to American diplomats and consuls to enable them to uphold the dignity of their Government. The need for these allowances is not traceable to mere social entertainments, or to attempts to climb the social ladder—keeping up with the British Joneses, or the German Meyer-Schultzes, or the French Dubois-Duponts—for there are many occasions when American representatives abroad, officially, have to entertain delegations of visiting Americans.

Congressional recognition of the need for supplementing the statutory stipends of men in the diplomatic service is an assuring gesture of the Government's interest, but the cold fact is that no allowance of the sort has yet been provided. Some day, the Congress may make this "representative allowance" something more than a scrap of paper by granting appropriations from which the allowances may be made.—R. C. W.



## This Family Holds Milling Record

FOR continuous activity in a single line of industry, the Bell family, merchant millers, probably holds a record in America.

In 1772, one Henry Bell, a miller in England, bundled up his belongings and set sail for America. Arrived in the new country, Bell embarked in the only business he knew, flour milling, and from that day to this there has, so far as known, never been a time when the Bell family has not been active in the flour trade—conspicuously active, too, for several members of the family have risen high in the business.

There is Samuel Bell of Philadelphia, a direct descendent of the colonial miller, who for nearly half a century has been one of the foremost flour merchants of his section. His brother, James S. Bell, who died at Minneapolis several years ago, was frequently referred to as the greatest merchant miller the industry has ever produced.

Recently James S. Bell's son, James F. Bell, has been elected president of the Washburn-Crosby Company. How far back the Bell family has figured in the flour trade the available records do not show, but it is known that Henry Bell operated a small mill in his native land before emigrating to America. With his experience he had little difficulty in establishing himself in the new country of Pennsylvania.

In 1795, one of the family, replying to a query from relatives in England, wrote: "Brother has, for a considerable time, been in the employment of a flour factor and his place is by no means an unprofitable one."

Flour milling naturally was one of the growing industries. The mills were small and farmers frequently were the proprietors. George Washington had a small mill on one of his estates at which his own and the neighbors' grain was ground.

The Bell family continued to grow with the business. About 1815 Issiah Bell, a grandson of the original colonist, opened a flour and grist mill on Wissahickon Creek, near Philadelphia. He had associated with him a brother and apparently they carried on more than a local business for records show that some of their flour was loaded and shipped on merchant vessels clearing from Philadelphia.

In 1830 this same Issiah Bell, keeping pace with the times, opened a flour store in Philadelphia, then one of the thriving trade centers. This concern, now under the name of Samuel Bell & Sons, has continued without interruption for nearly a century.

But as a factor in flour manufacturing the Bell family has made its most notable strides in the West. In 1888 James S. Bell, then a partner in the Philadelphia firm, withdrew and moved to Minneapolis to become identified with the great milling industry then developing about the Falls of St. Anthony. His long training in the business in the East soon made him an outstanding leader in his new surroundings and in 1889 he was made president and general manager of the newly organized Washburn-Crosby Company.

There followed a quarter century of progress by this company during which it became the largest flour manufacturing and selling organization in the world.

James F. Bell, like his father, has spent all his business years in the milling industry, having started in an inferior capacity as soon as he completed his education.



*We win 80 out of every 100 men to this unique creation*

## Say the Word

*And we'll send you a 10-day tube of this unique shaving cream to try*

(NOTE COUPON BELOW)

### GENTLEMEN:—

The way we win new customers to Palmolive Shaving Cream is by giving men a 10-day tube to try.

In less than five years we've gained top place in that way.

95% of the men answering our ads are wedded to other kinds of shaving soap. Yet we win 80 out of every 100 to this unique creation.

It's different from any other shaving cream known. 60 years of soap study stand behind it. We tried out 130 different formulas in perfecting it.

It embodies the four great essentials 1000 men told us they wanted in a shaving cream, plus a fifth that we ourselves found and added.

### 5 Important features

You'll find it superior in at least five major ways:

- 1—Multiplies itself in lather 250 times.
- 2—Softens the beard in one minute.
- 3—Maintains its creamy fullness for 10 minutes on the face.
- 4—Strong bubbles hold the hairs erect for cutting.
- 5—Fine after effects due to palm and olive oil content.

THE PALMOLIVE COMPANY (Del. Corp.), Chicago, Ill.

### Find Out

What we tell you is based on what we as expert soap makers know. One of our toilet soaps, Palmolive, is the leading toilet soap of the world.

Now in courtesy to us, will you accept a test of our shaving cream; give us the opportunity to prove the claims millions make for it?

To add the final touch to shaving luxury, we have created Palmolive After Shaving Talc—especially for men. Doesn't show. Leaves the skin smooth and fresh, and gives that well-groomed look. Try the sample we are sending free with the tube of shaving cream. There are new delights here for every man who shaves. Please let us prove them to you. Clip coupon now.

### 10 SHAVES FREE

and a can of Palmolive After Shaving Talc

Simply insert your name and address and mail to Dept. B-1140, The Palmolive Company (Del. Corp.), 3702 Iron Street, Chicago, Ill.

Residents of Wisconsin should address The Palmolive Company (Wis. Corp.), Milwaukee, Wis.

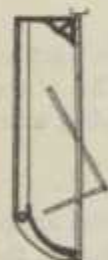


## 30 to 40% more Air and Light



## Important enough for you Mr. President to consider RA-TOX

Elimination of glare and heat with RA-TOX Shades has so great an effect in increasing production that you, Mr. President, can profitably use time considering it. The choice of RA-TOX not only settles the shade question right,



Note the counterweight mechanism, and how RA-TOX takes care of it and then travels back to the window out of the way of workmen and machines.

but settles it for at least 20 years. RA-TOX Shades are wood fabric shades, attractively stained, hung on special offset baked enamel steel brackets, fastened directly to the steel window frame—a metal to metal permanent installation. RA-TOX are simple in construction and foolproof in operation. They filter the glare from sunlight, yet permit free circulation of air. Ten to twenty degrees is the usual heat reduction with 30% to 40% more light and air than any other type permits.

Our shading engineers will gladly (and without obligation) estimate the cost to you of a RA-TOX shade installation. Spend a moment sending the coupon or a letter on its way for 20 or more years of increased production in your factory through scientific shading.

**HOUGH SHADE CORPORATION**  
Industrial Shade Division  
166 W. Randolph Street - Chicago, Illinois

**HOUGH SHADE CORPORATION**  
166 W. Randolph St., Chicago  
Send complete RA-TOX details at once.

Name \_\_\_\_\_  
Address \_\_\_\_\_ City \_\_\_\_\_  
State \_\_\_\_\_ Individual \_\_\_\_\_

# RA-TOX

OFFSET WOOD FABRIC  
SHADES FOR STEEL SASH

## Recent Federal Trade Cases

*Cash Register Company Denies Charges of Unfair Competition—"Baking Merger" Complaint Amended—Testimony to Be Taken in Aluminum Case—Misrepresentation of Furniture Alleged—Motion to Dismiss Advertising Case Overruled—Rules Approved for Describing and Marking Furniture—Dismissals—No Illegal Combinations Found Between Two Tobacco Companies*

**T**HROUGH formal answer to the Commission's complaint issued last June, a cash register company, of Dayton, Ohio, denies that it has "inaugurated and systematically conducted throughout the United States a plan, campaign, or scheme unduly to hinder, and restrain competition in the manufacture and sale of cash registers and similar machines in commerce, to control, dominate, monopolize or attempt to monopolize the manufacture and sale of such machines throughout the United States, and to eliminate, stifle or force out of business the Remington Cash Register Company, and to harass and discourage the agents and employees of said company."

In this answer the Dayton company "admits" that it is the largest manufacturer of cash registers and similar machines in the United States; that its authorized capitalization is \$9,000,000 in common stock and \$10,000,000 in 7 per cent cumulative preferred stock; that it employs about 6,400 persons in its factory, but denies that it is represented in the field by 1,800 salesmen, as charged, explaining that there are "approximately 250 persons located in various cities and parts of the country selling its products, who are receiving no salaries from respondent, but are compensated solely by commissions on sales made, and who employ and pay their own selling force in the field, all of whom are subject to rules and regulations as to their duties, promulgated by respondent." The approximate value of the 100,000 machines it turns out every year in 500 models is fixed by the Dayton company at \$30,000,000, and it reports the sale of 2,000,000 machines since it began business in 1882.

Among the denials made by the Dayton company in answer to other charges of the Commission are, that it circulates false statements in disparagement of the Remington company and its products; that it induces customers of the Remington company to break their contracts in order to "displace the competing company's product with its own machines; and that after taking machines of the competing company as part payment for its machines, it offers the accepted machines for sale at prices which demoralize the competing company's market. The answer also denies all charges of unfair competition, and alleges that, on the contrary, unfair practices are used by the competing company.

Asserting that the Department of Justice has already taken cognizance of the policies of the company through a decree entered in 1916 and still in effect, the Dayton company raises the question of the Commission's jurisdiction with reference to the subject matter of the complaint, for, it says, "the matters and things therein referred to continue to be and are solely within the jurisdiction of the United States District Court for the Southern District of Ohio . . . and are not within the jurisdiction of this Honorable Commission."

**W**ITH the Commission's announcement that testimony in the so-called "baking merger case" would be taken in February, public attention was again focused on the charge that the corporation cited "substantially lessens competition and creates a monopoly in the sale of baking products through the acquisition of the share capital of a number of baking companies in various parts of the United States."

Through amendment, the original complaint was expanded to include charges of the acquisition of alleged competing companies since April,

1925. To the charges made by the Commission, the corporation answered in effect that it was in no sense an operating corporation, but merely a holding corporation, and denied that it had infringed any of the anti-trust statutes, either in letter or in spirit. Explaining that its products cannot be shipped far from the place of production, the corporation declares that it is therefore possible for one company to acquire a large number of plants with each plant serving a different community, so that it in no wise occupies a field of distribution served by any other unit.

This answer also contends that the corporation has not purchased the stock of competitors in any one of the several distributing fields, but that it has restricted its operations to one company in each community with a view to enlarging and developing that business alone. No monopoly in baking products is obtainable by the corporation, the answer asserts, because the materials from which its products are made are available to every household.

**T**ESTIMONY was also to be taken in February in the Commission's complaint against an aluminum company. In this case the Commission charges the use of various methods of unfair competition in order to create a monopoly in the sale of raw aluminum and aluminum products.

**R**EPRESENTATIONS made by a furniture dealer of Lancaster, Pennsylvania, in the retail sale of furniture are alleged false and misleading in a complaint issued by the Commission. In his advertisements, catalogs, circulars, and other trade literature, the Commission contends, he represented that specific articles of furniture are of mahogany and others of walnut—representations that are untrue, and that tend to and do divert business from competitors who do not misrepresent the furniture they sell, the Commission declares.

**A**HOSIERY company of New York, charged with maintaining resale prices through the cooperation of its agents and customers, has made answer to the Commission's complaint with saying that it sells its products by means of its own retail stores and its own agents.

**T**HE COMMISSION has overruled a motion that a complaint against a group of organized advertising agencies and publishers be dismissed for lack of jurisdiction. Commissioner Humphrey was not in accord with this ruling of the Commission, and filed a memorandum of dissent.

In this case it is charged that the advertising agencies have practiced unfair competition in connection with the handling of advertising matter. Commissioner Humphrey contends that the agreements and practices alleged "do not constitute a method of competition in commerce . . . it is service"; that they do not constitute a method of competition, for the Commission "has no power over the commissions that the newspapers may pay to their agencies"; that advertising agencies may compete with each other, but the uniform commissions paid by newspapers for their service is not a method of competition among them. It may be, he says, that some advertising agencies desire to maintain a system of rebates to advertisers of portions of the commissions paid to them by newspapers, but "admitted that such practices would be unfair, it is not a method of competition in commerce, and the Federal Trade Commission



# "THE HOUSE THAT JACK BUILT" — and your telephone

This is the telephone that Western Electric built.



This is the shell that inclosed the receiver on the telephone that Western Electric built.



This is the mould that made the shell...



This is the lead that formed the mould...



This is the plant that made the gas that heated the lead that formed the mould that made the shell that inclosed the receiver on the telephone that Western Electric built.



YOU recall the chain of events in the House that Jack Built—one thing leading to another? When it comes to the Telephone that Western Electric Built you find the same sort of chain.

At Western Electric skilled artisans carry the work of making the Bell telephone on through all its stages.

Industries within an industry have been developed here—not only a factory for producing the many types of telephone equipment, but also a tool factory, a rubber mill, a cable shop, a wire-drawing plant and many others.

For all the world it is like a fairy tale come true. But on how vast a scale—the fact greater than the fancy.

# Western Electric

SINCE 1882 MANUFACTURERS FOR THE BELL SYSTEM





Would you have your letters  
written in longhand?

Why—

have stamps affixed by hand?

Why continue an old and wasteful habit of handling stamps when a new and economical method is offered?

The Multipost affixes stamps four times as fast as by hand. It keeps them in one safe place and protects them against loss and spoilage. Because it automatically counts each one used, it makes stamp accounting possible. It discourages stamp misuse and removes a source of laxity and loose habits concerning money matters.

## The New Superior MULTIPOST

The savings in time, labor and stamps soon pay for the Multipost in any office. Thereafter, its savings are net profit.

That is to say nothing of the cleanliness, orderliness and businesslike control which accompany its use.

You would not do without the modern advantages of a typewriter. Why do without a Multipost?

Prove its advantages in your own office.

Nothing is gained by waiting—so send us the handy coupon below.

The Multipost Co.

Rochester, New York



THE MULTIPOST CO., Dept. B3, Rochester, N. Y.

I have checked below what I would like to have you do for me.

☐ Send Catalog.

☐ Send New Superior Multipost on free trial.

Individual

(Kindly give name to insure correspondence reaching right party)

Firm Name

Street

City

State

When writing to THE MULTIPOST CO. please mention Nation's Business

would have no power to prevent such practices." He concludes that

There is not, in my judgment, a single fact, either in the record or in the argument of counsel, to justify making the various newspapers parties to this action. If the facts show anything on this point, it is that the newspapers are the victims and not the participants in this controversy.

This whole case may be summed up in the statement that it is the effort of a very few large advertisers to coerce the newspapers to give to them a rebate equal to the commission that the newspaper pays to its advertising agencies. In other words, it is an effort on the part of certain large advertisers to compel the newspapers to grant them special privileges. Certainly the newspapers may fairly refuse to make such unfair discrimination in favor of a few powerful advertisers.

The practices and methods followed by the newspapers in this controversy are exactly analogous to the methods and practices of the insurance business of the country and all other businesses conducted on a commission basis.

AFTER trade practice submittal conference with representative retail furniture dealers of New York City, the Commission has approved rules adopted by the retail dealers for describing and marking furniture offered for sale to the public. All furniture manufacturers, furniture dealers, and the trade associations will be invited by the Commission to subscribe to the approved rules, the Commission has announced. The rules are as follows:

I. Furniture in which exposed surfaces are of one wood shall be designated by the name of the wood. II. Furniture in which the exposed surfaces are of more than one kind of wood shall be designated by the names of the principal woods used. Interpretation of Rules: 1. Exposed surfaces mean those parts of a piece of furniture which are exposed to view when the piece is placed in the generally accepted position for use. 2. The exposed surfaces of all furniture or parts thereof represented as solid shall be of solid wood of the kind or kinds designated. If veneered on the same wood, it may be designated as a wood of that particular kind. If veneered on a different wood, it shall be described as veneered. 3. Cabinet woods, used for decorative purposes where the effect is solely to add to the artistic value, shall be named as decorations only. 4. A wood popularly regarded as of lesser value, if its use is essential to construction, need not be named under Rule II, if less than a substantial amount is used on exposed surfaces. 5. A wood popularly regarded as of higher value, shall not be named under Rule II, if an insubstantial amount of that wood is used, except as provided in Interpretation 3, above. 6. Designations shall be made in the caption or body of each particular description without qualification elsewhere. 7. The word "Finish" to designate color, shall only be used as a description, following the name of the wood used. 8. Where furniture is catalogued, tagged, labelled, advertised, or sold, by retailers, it shall be in accordance with these rules and interpretations. 9. Where furniture is catalogued, tagged, labelled, advertised, invoiced, or sold, by manufacturers, manufacturers' representatives, jobbers or wholesalers, it shall be in accordance with these rules and interpretations. 10. The above rules need not apply to antique furniture.

DISMISSALS included complaints against a wholesale confectioners association of Trenton, a "plateless engraving" company of St. Louis, a meat-packing company of Chicago, a stocking company of New Brunswick, New Jersey, and a roofing company of Detroit.

Unfair competition was charged against the confectioners association. Dismissal of the case was ordered for the reason that "the record discloses but one act of unfair competition com-



mitted by respondent, and that about three weeks thereafter, to wit: about September 1, 1923, the association ceased to function and is not now in existence."

Use of the words "engraved" or "embossed" to describe products made by a so-called "plateless engraving" process was misleading, the Commission charged in its complaint against the St. Louis company. This concern prints social and business stationery by a special process requiring inked type and the application of a chemical to the ink while it is still wet. After baking, the finished product closely resembles genuine engraving in appearance, the Commission explains.

The complaint was dismissed when the company made a stipulation with the Commission, and dropped the word "engraving" from its corporate name.

A charge of acquiring the whole of the common or voting capital stock of a competitor, "thereby effecting a lessening of competition between the two companies," was issued against the meat-packing concern.

On recommendation of the Commission's chief counsel, this complaint was dismissed for the reason that further proceeding was obviated through an order of the United States District Court, Southern District of New York, whereby the concern divested itself of the stock alleged to have been unlawfully acquired.

Charges of cooperating with retail dealers in applying an alleged resale price maintenance plan were not supported by the evidence in the case against the stocking company, the Commission reports in announcing its dismissal of the case.

Because the Commission found that the roofing company has abandoned the alleged practice of misleading the public into the erroneous belief that some of its advertised products had come from surplus stocks of the United States Government, it has dismissed the complaint. The notice of dismissal also explains that the company is no longer engaged in interstate commerce.

**T**HE Commission has completed the investigation requested by the Senate with regard to the relations of two tobacco companies, the methods alleged to have been used by them in their fight against competing cooperative marketing associations, and "also particularly to investigate any agreements or arrangements made by said companies to embarrass or injure any such cooperative associations or to cause discouragement or breaches of contracts between growers, members, and the said cooperative associations."

In its findings of fact, submitted to the President, the Commission reports that it found no evidence of "illegal agreements, combinations or conspiracies" between the two companies "with respect to the buying and selling of tobacco and tobacco products."

The findings, which were based on the analysis of comparative price data, do not substantiate the charge, the report of the Commission says, that the two companies have paid discriminatory prices for divided or split-crop lots of leaf tobacco.



Coaling Slip, a woodcut by Herbert Pullinger



## AMERICA'S TRADE CURRENTS

**F**ROM San Francisco, New Orleans, Boston, Chicago—  
—from every commercial center of importance in the United States and in the world—currents of trade flow to and from and through New York.

In this commerce, the interests of the banker and the merchant or producer are inseparable and interdependent. Let business suffer and banking feels the effect; when trade prospers both banker and customer profit thereby.

The Irving-Columbia's Out-of-Town Office is a contribution to the promotion of commerce. This Office, in the Woolworth Building, New York City, is a banking unit devoted to facilitating the business interests of customers in the United States outside of New York.

Its officers, by maintaining close personal contact with all parts of the country, keep constantly informed on business conditions in various sections, and thus are able to give each transaction that quality of understanding so important to the customer's interest.

Possessing in its own organization every banking, investment and trust service, the Out-of-Town Office, for all customer purposes, is a complete bank in itself. And it offers to customers all the facilities, world-wide connections and total resources of our entire institution.

## IRVING BANK-COLUMBIA TRUST COMPANY

*New York*

## Culture, noodles and hair tonic!

CHEWING GUM, culture, crickets, crime, eggs, fish, hair tonic, lace, noodles—how did we come to talk of all these things?

Yet we did, for there they all are, with hundreds of other subjects, in the Index of NATION'S BUSINESS for the year 1925. And all of them had a business idea.

Readers use this Index as a reference source for material for business speeches and interviews and luncheon discussions; for material for selling talks and sales letters; for economic information in brief form to pass on in bulletins to employees.

A copy of the Index for 1925 is free to you. If you want a copy of the 1924 Index, you may have that, too. Address NATION'S BUSINESS, Washington.

## 1925 INDEX of NATION'S BUSINESS FREE TO YOU ON REQUEST

When writing to the IRVING BANK-COLUMBIA TRUST COMPANY please mention NATION'S BUSINESS



## Naturally preferred

AMONG MEN who can well afford any cigarette they choose, there is a decided preference for Fatimas. They have learned that to pay less is to get less, to pay more, extravagance



*What a whale of a difference just a few cents make*

LIGGETT & MYERS TOBACCO CO.

## A Comment on Our Budget Article

THE FOLLOWING comment on Representative Martin B. Madden's budget article appeared in a recent edition of the Waukegan (Ill.) *Daily Sun*. It comes from Representative Madden's own state.

"Some sensational and stunning assertions on wages, taxes, and rents were broadcast in NATION'S BUSINESS, the official organ of the Chamber of Commerce of the United States.

"Whoever holds the purse strings rules a nation; hence, serious attention must be given to the assertion of Congressman Martin B. Madden, chairman of the Appropriations Committee of the House. He does not tell where he got his figures or the place where the practices he outlines exist. The *Sun* fears injustice is done many localities, especially Lake County; hence, the *Sun* would be pleased to have owners, contractors, bricklayers and plasterers present for publication the local figures and practices. The *Sun's* impression is that costs may exceed pre-war figures by double; however, its surmise is that four times is too high for Lake County.

"Madden is credited with the representations that bricklayers now get \$23 per thousand for laying bricks for which they got \$1.60 prior to the World War and that plasterers now get over 80 cents per square yard for plastering that they got a quarter a yard for before the war.

"Madden's wage scale looks more like before the Civil War than the World War; hence, the *Sun* would like from NATION'S BUSINESS and Madden the locality where such wages and practices existed and now exist.

### Madden Probably Correct

"THE *SUN* is willing to admit that probably Congressman Madden proves his point but the *Sun* fears his assertions may handicap local building and do injustice locally; hence, the *Sun* believes the local facts should be published just as soon as experts will provide the same.

"The *Sun* fancies all will think twice before promoting and authorizing new projects for pavements, highways, public buildings, and any unnecessary projects that may involve bond issues and increased taxation to pay off the bonds and interest on the same. Too many apparently think the landlord pays the taxes, so why worry about voting against public officials who cause new or increased taxes? The Republican leaders at Washington seem determined to educate everybody on the tax burden; hence the *Sun* cooperates by directing attention to the following quotation from NATION'S BUSINESS:

"Building costs are much higher than they ever were. An analysis of what enters into the cost might not be amiss at this point. Before the war, bricklayers, for example, laid something like 2,500 bricks a day in a 12-inch wall and received \$4 a day for their work. Today, I understand they lay 650 bricks and receive \$12 and \$16 a day. A plasterer before the war put on 150 yards of plaster a day and received from \$3 to \$4 a day, whereas, now he puts on 30 yards and receives \$25.

"The cost of everything else entering into building and construction is in proportion to this, and hence it is readily seen that the building costs four times as much as it formerly did. Therefore, the rents are correspondingly high, so that the fact is that the man who pays the rent pays the tax, for in addition to the building cost the tax is added to the rent. So the citizen who is not called upon to file a schedule indicating his income, must realize that the burden of taxation falls upon him. If he could get that clearly in his mind and act accordingly, the costs of rents and of commodities which he is called upon to pay for out of his meager income would be reduced to the extent that the cost of building construction and taxation is excessive.

"But it is not confined to building construction and taxes; it applies everywhere."

THIS BINDER has space for a dozen copies of NATION'S BUSINESS. It is bound in black and embossed in gold—is an ornament to the handsomest desk or bookcase, but unlike most ornaments is useful. It will keep each copy clean and in place so that you can always find it.

Cloth bound \$2.50, and will be sent to you post-paid on receipt of that amount.

NATION'S BUSINESS  
Washington



## IF YOU HAVE A SELLING PROBLEM

Don't Fail to Send for a Copy of This

## FREE BOOK ON DIRECT-BY-MAIL ADVERTISING

Shows how to increase sales and decrease selling costs.

"Wonderful Stuff!" is echoed by all who have read it. "Recently I invested in a set of business books that cost a lot of money," wrote one;—"But I got more real benefit from your little book than from all of them!"

And, now, all you have to do to get YOUR COPY is to clip out this advertisement, stick it to your regular business letterhead, and mail it to the

ELLIOTT  
ADDRESSING MACHINE CO.  
149 Albany St., Cambridge, Mass.

When writing to LIGGETT & MYERS TOBACCO CO. and ELLIOTT ADDRESSING MACHINE CO. please mention Nation's Business



## Who Will Answer This Question?

AN INTERESTING and very pleasant part of the work of the editor of this magazine is the reading of letters from subscribers. They seem to be written in a spirit of friendship and of confidence and faith that almost arouses any trace of emotion and sentiment that has survived the years. Here is one that came to the desk a few days ago in which the correspondent simply and directly states a real problem confronting his business and his home. Without giving the name of the Ohio town or the correspondent we quote:

I was just wondering if NATION'S BUSINESS could give us any ideas as to how to build up our town and county. We have a small town of 2,500 people. We have passed through an oil boom, the war, etc., and are now at a stage of rather slow business. We want to produce something, ship it out and have money come in. No factories here of any kind.

We are located on a narrow-gauge railroad which may soon be abandoned. We are 23 miles on a hard-surfaced road from the National highway. This means that any factory we could have here would have to make something that could be shipped by parcel post or express.

Our young people leave here just as soon as they are through school. We want to keep them here. The only way we can do it is to find a way for them to make a living. The question is what could be manufactured in a town of this kind. Perhaps you can suggest some lines that would be possibilities. It would then be up to us to get in touch with such a factory or start one here.

It looks to me as though the small town is a very important cog in the wheel of the U. S. A. City life has its advantages and many undesirable features. More real home life and contentment, I think, are found in the smaller towns. The Main Streets are just as important as the Broadways.

I suppose many towns such as this are up against the same problem. Cities draw. Many would rather exist in a crowded city than live in a small town. Many are compelled to.

Has NATION'S BUSINESS given any thought to it? Maybe there is a department that handles that subject.

S. O. S. Our Main Street needs more traffic.

Almost every one to whom we showed this letter at once offered a solution. "Why doesn't he move?" was the one we heard most often. Moving in this case means giving up his home, giving up his friends—a complete transplanting. It can be seen that this man is one who loves his community and loves the people who built it. Most likely his father and mother had lived there before him, had invested their savings there, had given their lives and their hopes to it. He is the kind of man who can't easily throw aside these memories and traditions and wholly pull up stakes.

Others suggest that the town could be brought back to business life by the building of small industries, as he suggests—glove factories, clothing and shoe factories. It probably has a labor market for such work. One visitor to whom we showed the letter said that the correspondent should get the factory idea out of his mind entirely, that the solution of the town's problem would lie in better agricultural development in the neighborhood, better merchandising by the townspeople—making the town more attractive for the farmers and their wives of its natural trade territory.

What's the answer? Who can help solve this man's problem?

# This Key unlocks many a profitable Secret



## Why some executives show uncanny judgment

SOME men seem to "guess" right every time. Never a question of policy or the shaping of a plan comes up for discussion but what they seem to show uncanny judgment in choosing the right course.

### Why they "guess" right

These men do not guess. Neither do they play lucky hunches. They know their businesses from the factory cornerstone to the smallest dealer in their most distant territory. Their businesses keep no secrets from them.

These executives invariably use mechanical accounting methods to keep their businesses transparent. Mechanical ac-

counting methods offer a quick, easy, low-cost means of keeping up to date on the daily functioning of the modern business organization.

### Judge for yourself

How executives in a number of representative business concerns use Powers Mechanical Accounting Equipment to analyze sales and production is interestingly told in the illustrated portfolio—"Analyzing Sales and Production Mechanically." Examine this portfolio and judge for yourself.

### Portfolio on request

Have your secretary send in the coupon below, attached to your letterhead. The portfolio, "Analyzing Sales and Production Mechanically" will be forwarded in return.

Powers Accounting Machine Corp.  
115 Broadway, New York City



HAVE YOUR SECRETARY FILL THIS IN

Powers Accounting Machine Corp.  
115 Broadway, New York City.

Kindly send "Analyzing Sales and Production Mechanically," to—

Mr. ....

Our letterhead is attached herewith. We understand that this portfolio will be sent without obligation to us.



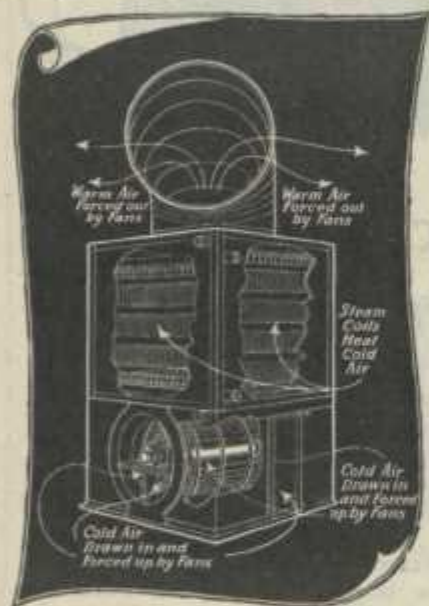
## In New York City

The garage of  
The Automobile Club of America  
The warehouse of  
J. C. Penny Co.  
Three car repair shops of  
The Brooklyn-Manhattan Transit Co.  
Three plants of  
Borden's Farm Products Co.  
Large Studio Building of  
Cosmopolitan Motion Picture Studio  
The repair shops of  
The New York Edison Co.

are among the favorably known institutions using Skinner Bros. Steam Coil Heaters.

This heating equipment could not enjoy such marked preference if its performance did not prove its excellence.

Likewise in every industrial center are Skinner Bros. Steam Coil Heaters receiving the endorsements of America's Leaders in Industry.



The New Improved Skinner Bros. Two Fan Four Inlet Steam Coil Heater

Built in various sizes to meet every requirement of the modern industrial building.

We also build Skinner Bros. Direct Fired Heaters for use where steam is not available, and Skinner Bros. Light Weight Copper Tube Heaters, which are rapidly receiving acceptance everywhere.

Our heating and ventilating engineers will gladly confer with you—and with-out obligation.

Shall we send you our latest catalog and literature?

## Skinner Bros. Manufacturing Co., Inc.

Designers, Engineers, Manufacturers  
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## Digest of the Business Press

### Comments from the Trade Journals

By WM. BOYD CRAIG

THE TEXTILE industry will gladly subsidize, or adequately perpetuate the memory of, any woman who can appreciably and permanently lengthen and widen women's skirts," says *Textile World*. It continues: "Manufacturers and merchants are practical and credulous men who 'are from Missouri' whenever approached by individuals who profess ability to control style in women's costume and fabrics."

Also from Missouri is Mrs. John B. Henderson, who has proclaimed her disgust at the short skirts and the form-fitting costumes that are now in vogue for the female sex, and who proposes to arouse the National Federation of Women's Clubs, the Daughters of the Revolution and numerous other women's organizations, to cooperate in a corrective style movement. Mrs. Henderson is the widow of a former Senator from Missouri.

"If motivated solely by self-interest textile manufacturers catering to the women's trade would not only applaud but actively second



and subsidize propaganda of this character that was likely to succeed, for the beneficial effect upon the industry of an inch added to the length of a Chinaman's shirt would be slight as compared with the vast increase in demand for textiles that would follow substantial increase in length and fullness of women's dresses.

"But neither self-interest nor a flair for the artistic can blind textile men to the fact that something more substantial than sex appeal is responsible for the universal vogue of these style creations, and that any changes to less hygienic and comfortable styles sponsored by Mrs. Henderson will succumb to ridicule unless they also are sponsored by the mythical and all-powerful 'they' of Paris.

"It will be well for textile men to cultivate the mythical 'they' of Paris and abandon hope of style relief via the Mrs. Henderson."

*Tobacco World* is also interested in Mrs. Henderson's attitude, because she also criticized smoking by the female sex. This journal finds some solace in the fact that "leaders of women's organizations in Philadelphia, when approached on the subject did not wax very enthusiastic—the opinions being about evenly divided as to the dangers of short skirts and cigarette smoking."

### Prof. Ripley Sees New Dangers For Non-Voting-Stock Owners

WILLIAM Z. RIPLEY, professor of political economy at Harvard University, started a discussion on financial methods when he wrote "From Main Street to Wall Street," which appeared in the *Atlantic Monthly*. Echoes of the discussion are to be found in various trade and business journals. His article was in a sense a revision of a speech made earlier before the Academy of Political Science, and quoted in part in these columns of *NATION'S BUSINESS*.

Professor Ripley sees danger in the diffusion of stock ownership, in that it lessens the responsibility on the part of the owner for use of the money thus employed.

He writes: "The movement has been called

an 'economic revolution'—the passing of ownership 'from Main Street to Wall Street.'

"Suppose that the ownership of many industrial plants, great and small, continues to reside all through the countryside, but that the lodgment of the power of direction has shifted to the great financial centers. Is there no smoldering spark in this matter of corporate control which may some day flare up as a political issue of the first order? I do not look to sentinels of the Republic or to anti-syndicalist laws for the ultimate safeguarding of our institutions. Our security, in the last instance, must rest upon the ever-wider prevalence of what Lord Bacon held to be the 'clear and round dealing among men.' With that assured, we may quite confidently leave all the rest to take care of itself."

Professor Ripley cited as an example of the questionable value of financial management the recent financing of the Dodge Company by Dillon, Read & Company. He pointed out that the financing company bought the stock of the automobile firm and then turned around and sold new stock at a large profit, but kept the voting stock and hence the management. Professor Ripley said that the transaction was a good example of eating your cake and having it too.

*Review of Reviews* carries an article on the rise of one of the partners of this firm, Clarence Dillon. His views on the subject of banker management are reprinted, as follows: "The country can reap only benefit from banker ownership, according to Clarence Dillon, as the public is thus assured of a champion in the councils of corporations."

Henry Ford, writing in *The Saturday Evening Post*, takes a cross-slant at the subject of financial vs. industrial management, as follows:

"Industrial plants become obsolete more rapidly today than ever before because discoveries are numerous and improvements come fast. Plants that financiers would gobble up as good things the modern engineer would not touch; he knows how far they fall short of the best.

"But even this backward kind of standardization defeats itself; it does not in the end actually throttle initiative. The industrial road is now so wide that young men can pass the slow coaches. That is probably the main reason



for the control of business ceasing to be financial and becoming industrial. Under financial control it goes forward. All the going concerns show industrial management; most of the ailing ones show financial management. Therein, in that fact, lies the modern young man's hope."

*Paint, Oil and Chemical Review* sees in the situation the same danger that Professor Ripley pointed out. It says: "The writer shows that the result of this *laissez faire* policy is to place the profits of business very largely in the hands of a very small body of men while the investing public get a meager interest rate and have absolutely nothing to do with the control. The only way of curing such a condition is to refuse to invest in a corporation handled by an operating company or to refuse to take preferred stock



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Of course, every audit should be a *Detailed Audit*. But whether it be *Detailed*, *Semi-Detailed* or *Balance Sheet*, it can, and should be made to, serve as the basis not only of the financial report, but also of constructive help.

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THERE are more advertisers in this March number *than in any other issue* in the fourteen years' life of NATION'S BUSINESS. Look over what they say. They advertise to you because they think you need what they've got to sell. *Maybe you do.* There should be one magazine whose pages constitute practically a directory of the best business firms in the country. Look over the pages of NATION'S BUSINESS with this in mind.

while the real stock, on which 'good money' is made, is all held by the promoters.

"We may be old fashioned in the paint business, but we believe one of the best resolutions we can make is that we shall continue to run our own paint factories on their own bases with our own capital except for the necessary bank facilities to which every business is properly entitled."

*Engineering News-Record* is also apprehensive of the non-owning type of control. It says: "Every sign points to the belief on the part of the financier, and his sinister adviser, the corporation lawyer, that in the holding company is being developed the machinery which is at once safe, legal and profitable for the fortunate few. In so far as the public utilities are concerned, there is much to be said for the technical efficiency of the holding company. It concentrates management in intelligent and trained experts, it reduces overhead and it pools purchases and, during successful operation at least, it rewards the consumer in reduced rates. But against this it sets up a non-resident directorate out of touch with the consumer, and it rests real control in an impersonal financial entity most difficult of supervision by the public. Even the most bigoted private ownership advocate realizes that the only answer to privileged monopoly is public control. It requires no prescience to predict that the next few years will see a growing effort on the part of the people to check the financial operators who are moving so fast toward the accumulation of the highly profitable voting shares in large and diversified holding companies, the capital for which is furnished by stock- and bondholders who have no voice in management and in many cases only a depreciated equity in the overcapitalized property."

### On the Growth of Utilities

**M**ICHIGAN INVESTOR carries some interesting statistics in an article on the growth of the public utility industry. To quote: "Approximately \$1,500,000,000 of new capital was provided by the investors of the country for the public industry during 1925. It is estimated that the present total capitalization of the industry in the United States is approximately \$20,000,000,000, which is exceeded only by the capitalization of the steam railroads and is practically twice that of the next largest industry, iron and steel."

"The New York Stock Exchange can safeguard owners of non-voting common stocks as well as others by insisting upon full and frank publicity on corporate developments affecting the value of such securities, in the opinion of William J. Curtis, an attorney of veteran experience in problems of corporation law and management," says the *New York World*, and also:

"Mr. Curtis, who was for forty years a member of the law firm of Sullivan & Cromwell, and is now counsel to the firm of Curtis, Fosdick & Belknap, agrees with Professor Ripley that voting rights are theoretically desirable, but he points out, as do many experienced bankers and executives, that such rights are of little practical value since they are used so seldom."

"Mr. Curtis contends that as monthly information is available for directors, there is no valid reason why it should not go to stockholders."

"The Stock Exchange is investigating the question and it has been scheduled for discussion by the Governors of the Investment Bankers' Association."

The *New York Journal of Commerce* sums up the case as follows:

"There has been a good deal of sound and fury of late over the question whether stockholders are not being 'disfranchised.' Discussion of the matter originated in the fact that many concerns had fallen into the habit of issuing a small amount of 'Class B' stock or shares designated in some other fashion to which alone is given the power of voting, while the great bulk of capital in so far as not obtained from bonds or preferred stock is obtained through 'Class A' issues. These are deprived of voting



# To the Policy-Holders of New York Life Insurance Co.

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LIFE Insurance is not a commodity; it is service, scientific social service. Its beneficence, however, is not limited to paying death-claims. It touches society at many points and renders many services of which few people ever think. As policy-holders you are public benefactors, not merely because you have protected society by protecting your dependents, but because you are advancing human efficiency and human happiness through the beneficent activities of this Company's assets.

The assets of this Company benefit both the insured and the uninsured. They reach all—even as the rain falls on the just and on the unjust.

In the year 1925 the Finance Committee invested in securities that demanded discrimination and judgment

**\$151,371,950.10, to yield on the average, 5.36%**

Analyze that total and you at once see how widely and directly it touches and helps the community at large. *This is the picture:*

**MUNICIPAL BONDS:** A capital investment of \$1,044,177.06, to yield 4.33%.

**REAL ESTATE MORTGAGES:** During 1925 the Committee made 6,895 separate mortgage loans in forty-one States, the District of Columbia and Canada, aggregating **\$93,534,753.22 to yield 5.57%**. These mortgages in detail were divided as follows:

5,151 Loans on residential property, representing a capital investment of \$28,562,173.86, accommodating 5,940 families.

635 Loans on apartment and housing projects, a capital investment of \$26,327,240.00 accommodating 8,117 families. A total of 14,057 families.

170 Loans on business properties, a capital investment of \$32,801,731.10.

939 Loans on farms, a capital investment of \$5,843,608.26.

Capital soundly invested in Mortgages on Real Estate is safe; it yields good return, and renders a genuine public service. Your investment in mortgages of over ninety-three million dollars in the year 1925 appears in the balance-sheet below as part of your total investment in mortgages amounting to \$353,627,202.42. That total is divided into exactly the classifications I have made of the investments of 1925 and is all equally useful.

**RAILROAD BONDS:** In this class of securities the Committee in 1925 made a capital investment of \$21,416,375.55 to yield 4.99%, as follows:

In bonds secured by mortgages on bridge and terminal properties, \$1,558,365.00  
In equipment trust certificates secured by locomotives, freight and passenger cars, \$882,184.18

In bonds secured by mortgages on railroads, covering mileage located in 31 States and the District of Columbia, \$10,975,826.37

This Company has long been a large investor in Railroad Bonds. It fought vigorously to secure the Transportation Act of 1920 under which the railroads of the country have been rehabilitated. The twenty-one millions and over invested in 1925 is a part of the total which appears in the balance-sheet below, \$325,062,694.07. That total is in turn a part of the service to the country which is constantly being rendered by the railroads.

**PUBLIC UTILITY BONDS:** Here in 1925 the Committee made a capital investment of \$35,376,644.27, to yield 5.04%, as follows:

In bonds secured by mortgages on gas, electric light and power properties, \$25,605,115.07

In bonds secured by mortgages on telephone properties, 9,771,529.20

Public Utility enterprises represent a relatively recent development, and are closely allied to all the comforts, conveniences and necessities of present-day life. Your investments in bonds of this class in the year 1925 represent properties operating in twenty-five States in which dwell approximately 73,000,000 people. These institutions have 13,000,000 consumers, and a fixed capital investment of three thousand million dollars. Through your investment of over thirty-five million dollars in 1925 and your earlier investments of the same sort you have become a considerable supporter and a definite part of that great and indispensable modern development. Every dollar of the total investment in public utilities is hard at work adding to the sum of human comfort.

In the balance-sheet below the activities of the Finance Committee for the year 1925 and in previous years are projected on a larger screen. After eighty-one years of business the Company's assets on December 31, 1925 (taking bonds at market value) amounted to **\$1,149,471,556.02**. We are not here considering the strictly Life Insurance function of that accumulation, which of course is its first function. We are emphasizing the fact that every dollar of that huge sum is working every minute in the public interest, something you as policy-holders seldom think of, something the public is scarcely aware of. You insured your lives in this Company primarily to protect your old age and your dependents. You performed a good deed. Good deeds go far. They illustrate the truth of what Portia says in the "Merchant of Venice":

*"How far that little candle throws his beams! So shines a good deed in a naughty world."*

Your policies are separate candles; they shine far.—DARWIN P. KINGSLEY, *President*.

## EIGHTY-FIRST ANNUAL STATEMENT

Outstanding Insurance, December 31, 1925.....	\$5,219,000,000.00
New Business paid for in 1925.....	844,000,000.00
Earning power of Assets, including cash in bank, Dec. 31, 1925.....	5.06%

### BALANCE SHEET, January 1, 1926

Bonds at Market Value as determined by the Insurance Department, State of New York

ASSETS		LIABILITIES	
Real Estate Owned.....	\$8,138,938.97	Policy Reserve.....	\$891,961,916.00
First Mortgage Loans—		Other Policy Liabilities.....	37,107,183.70
On Farms.....	59,765,525.60	Dividends left with Company to Accumulate at Interest.....	25,220,081.40
On Residential and Business Properties.....	293,861,676.82	Premiums, Interest and Rentals prepaid.....	2,887,937.94
Loans on Policies.....	179,465,848.35	Taxes, Salaries, Accounts, etc., due or accrued.....	10,694,414.65
Bonds of the United States.....	59,836,660.00	Additional Reserves.....	24,880,010.00
Railroad Bonds.....	325,062,694.07	Dividends payable in 1926.....	55,116,138.00
Bonds of other Governments, of States and Municipalities.....	99,407,262.06	Reserve for Deferred Dividends.....	507,325.00
Public Utility Bonds.....	79,255,180.00	General Contingency Funds not included above.....	101,096,549.33
Cash, including Branch Office Balances.....	4,661,367.16		
Other Assets.....	40,016,402.99		
<b>Total.....</b>	<b>\$1,149,471,556.02</b>	<b>Total.....</b>	<b>\$1,149,471,556.02</b>



# To men at the helm who feel the strain



READERS—yes; but far-sighted? Perhaps too far: eyes on a distant future, they brush aside nervously the warnings of today.

It is not immortal—that tireless-seeming heart. Yet rest it, for once, as intelligently as you drive it—and you feel the difference all year round.

To hundreds prominent in politics, in business, in professional and social life, here is the real secret of the Glen Springs appeal: not simply the charm of atmosphere and loveliness of setting that make even a day's stay memorable—but rather the certain knowledge that here, in weeks, real help can be given in repairing the damages of years.

High in a thousand acres of fragrant pines, here are outdoor sports and bright companionship; tempting meals, leisurely eaten, and pine-scented air to bring deep sleep at night; but, most important of all, here are specialists to plan your rest.

Careful looking over of the whole complex bodily machine, and its marvellous engine, the heart. Intelligent regulation of the triple cycle: Diet—Exercise—Sleep. And for taut nerves, overdriven bodies, a completer relaxation than you have ever known.

Your own physician probably knows the story of this unique Mineral Springs and Health Resort, for it works in close cooperation with him always. Its radio-active mineral springs for kidney and digestive troubles, its baths (including the only natural Nauheim calcium chloride brine bath in America for the treatment of heart and circulatory disorders) are nationally famous. And its guests—are different people when they leave!

Come up this month. Now—when spring's first green is showing—you can build new vigor for the months to come. The coupon will bring you complete literature:

## The GLEN SPRINGS

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power, although they are usually given a rather preferred status (at least as compared with common issues) in the matter of dividends.

"The subject has been under discussion for a long time past and was revived not long ago by an academic writer who apparently regards it as a great discovery of his own. Since then the current phases of the situation have been considered by a good many newspapers and other current publications, and there are symptoms that the subject is likely to provide the basis for a kind of crusade.

"Underlying the whole situation is the question whether, after all, the investor is able and willing to take the time to look after his own interests, and this is the same question which has often come up in connection with political

duties and responsibilities. The average voter, as is well known, is disinclined to take the trouble and spend the time necessary to protect himself at the ballot box by voting with a reasonable degree of intelligence. If he acts in much the same way as regards his financial interests, there will be as little prospect of taking care of him in that direction as there has been of watching over him politically by means of direct primaries and other made-to-order schemes of various kinds. There is nothing in any of these projects that will at all serve to take the place of due diligence on the part of the investor or citizen in his individual capacity. That is the long and the short of the whole matter, and it is that simple fact which is so widely ignored by professional reformers and by

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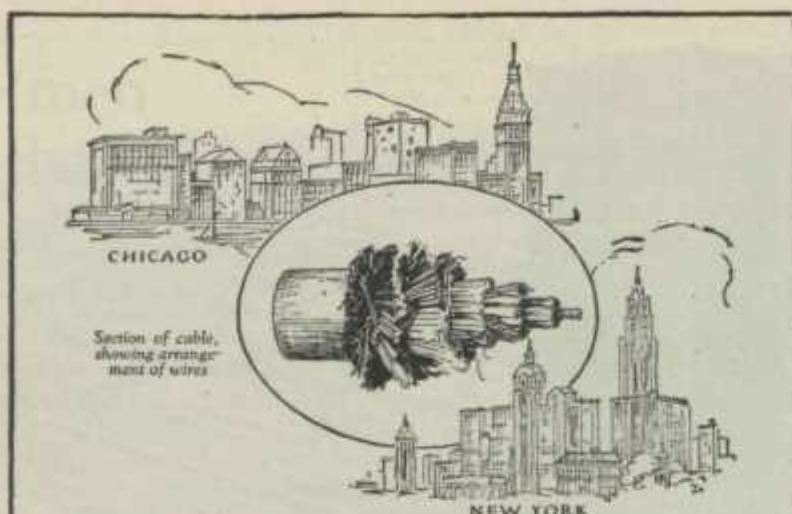
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This new cable is an important addition to the telephone facilities of the country owned by the Bell System, which include over 42,000,000 miles of wires, 16,000,000 poles, 1,900 buildings, and station and central office equipment costing over \$874,000,000.

This nation-wide plant, with a book cost of over \$2,400,000,000, and its nation-wide service, underlie Bell System securities.



The stock of the A. T. & T., parent company of the Bell System, can be bought in the open market to yield a good return. Write for information.

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"The People's  
Messenger"

those whose zeal leads them into the treatment of symptoms rather than of underlying causes of trouble.

"It would seem that what is urgently needed above all else is the simple elementary requirement of truth with regard to what is actually being done."

## Raw Rubber Price Stays High; Attempts Made to Force Drop

RECENT developments in the rubber situation include hard words, sarcastic comments, plans for meeting the situation, investigations, and numerous statistics of various kinds.

"Sir Robert Horne's recent contention that no great benefit is derived by the British Government for the rubber restrictions would seem to be corroborated by figures lately compiled for the *London Economist*," the *Index* of the New York Trust Company says.

"The most important reason for increasing the British output is that the price of rubber is high," declares the *London Times*, commenting on the raise of rubber production, "and there is no point in allowing non-British producers to obtain all the advantages of the present strong position of the commodity. As regards the future retention or operation of the restriction scheme, it may be stated that no decisions, other than those already announced by the Colonial Office, have been reached."

*Automotive Industries* makes the point that it is "difficult to evaluate correctly the various cross-statements and contradictions which are flying back and forth across the water between eminent gentlemen of Great Britain and the United States."

*Manchester Guardian* from week to week



predicts that prices will soon be higher for the raw product.

*Literary Digest* finds the following sentiment coming from the *Montreal Daily Star*: "America might well clear the stage of her loud-voiced politicians and let her men of science and economists tackle the task."

"He who pulls the strings of a shower bath generally gets a wetting," observes *Credit*. "Mr. Hoover has demonstrated this homely truth, in his recent campaign of words against what he calls the extortionate Rubber Trust. So Mr. Hoover, by his short-sighted criticism of the Rubber Trust, has strengthened the hands of those who are attacking the tariff law, in which Mr. Hoover thoroughly believes. We believe that the authorities controlling the production and distribution of rubber in the Malay Peninsula have a perfect right to manage the industry for its own advantage."

"Secretary Hoover instinctively sees things from the consumer's point of view," says *Wallace's Farmer*, and contends that "the farmers of the United States would like it much better if, instead of being so much worried about the control of coffee and rubber by a foreign government, he would devote some of his attention to the American control of wheat, pork and cotton."

*Who Is Who in the Grain Trade* quotes from the *Winnipeg (Man.) Grain Trade News*:

"Mr. Hoover is evidently at great pains to avoid saying plainly that what he proposes is a buyers' combine to meet a sellers' combine. The *Grain Trade News* is not directly interested in the rubber controversy, but we call attention to the above development because we have so frequently pointed out that the

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3-20



inevitable reaction to an attempt to control wheat marketing by combines would be the formation of buyers' combines in the importing countries."

*American Grocer*, New York, in turn quotes the *Evening World* for the following:

"It is not trusts, not production restriction, not gouging that Mr. Hoover resents—it is the trust, the restriction, the gouging that does not benefit the privileged class in the United States. Rascals are good and bad; the bad ones are the other fellows, the good ones are ours."

The *Manchester Guardian* is authority for the following:

"The restriction scheme, perhaps, should never have been introduced, but, once it came into operation, American consumers have done a great deal to cause the present high level of prices by adopting a hand-to-mouth policy of buying. Anglo-American friendship is more important than Mincing Lane quotations, and Mr. Hoover and his more outspoken supporters have done nothing to improve either."

#### American Speculators Active

THE BALTIMORE *SUN* sees at least a plausibility in the charges of Representatives Black and Shallenberger, who held that American speculators have a considerable hand in setting the high prices which the consumers of rubber are paying.

The *Tea and Coffee Trade Journal*, in commenting on Secretary Hoover's stand, points out that "we are not by any means so helpless as might be supposed. It is the thought that those who cannot see any limit to what we will stand should ponder well. The American colossus may be slow, and even difficult to move, but once in motion his weight is something to keep from under."

*Oil, Paint and Drug Reporter* carries an announcement that the Soviet Government has offered a prize of \$50,000 for a synthetic substitute for rubber, and a second prize of \$25,000 for the second best substitute. "The component materials must be found within the Soviet Union and the experiments carried on in Russia. The competition is open only to Russian citizens."

#### Solution by Tariff Changes

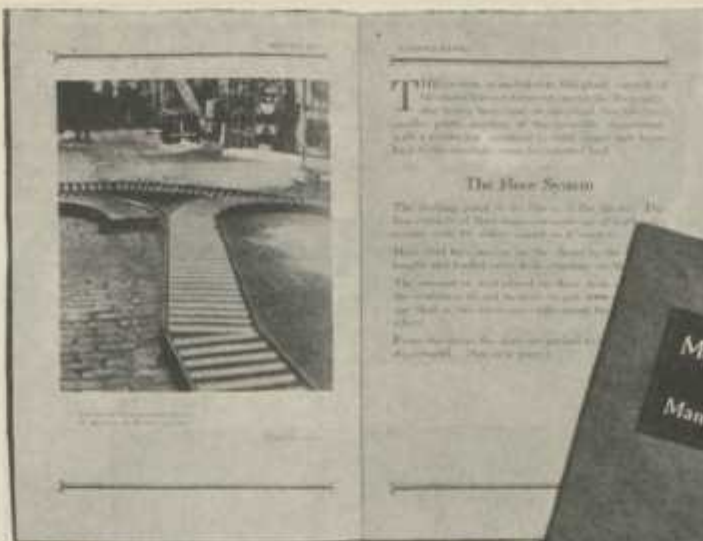
COMMERCE AND FINANCE links the disagreeable present with the distant future in the following manner:

"The marvel is . . . that Mr. Hoover should select the relatively innocuous and inconsequential Stevenson Act, for the defense of which much that is logical and convincing can be said, as the object of his extraordinary wrath. If this devotion of his to the principle of economic freedom and to the American consumer is wholehearted, why is it not expended in plucking the beam out of our own eyes, or at least in active support of the movements now sponsored by various bodies, including the International Chamber of Commerce and the League of Nations, to study the removal of obstructions in international trade? We have yet had no word from him in support of that—one of the loftiest aims that has yet engaged the attention of business pioneers."

#### Farm Problems Hold Interest For Many Beside Politicians

"MOST of these farm relief measures in Congress are for the relief of candidates." This is the view of *The Stockman and Farmer*, in concluding a discussion of the Iowa farmer's troubles. The same publication thinks very little of the revised Dickinson Bill, which is in principle a successor to the McNary-Haugen Bill. "It isn't worth anything to farmers or anyone else except those who will draw the ten thousand a year as members of the Board."

The *Prairie Farmer* carries the following: "A surplus, ex-Governor Lowden points out, is a good thing for the nation as a whole. It is



## Easy to Read and Full of "Meat"

THIS new booklet has been prepared for the busy man who would like to go into a typical "conveyerized" plant and see how the system works, but who hasn't the time or opportunity to do it.

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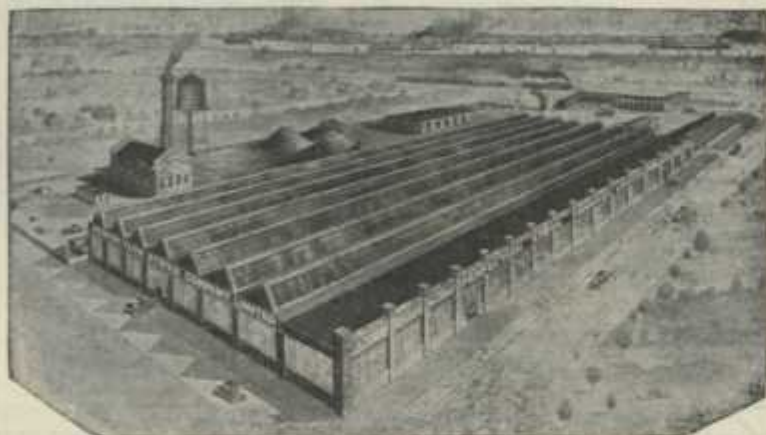
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A separate steel building houses two boilers of ample capacity for furnishing heat. A one story frame office building 37 ft. x 121 ft., very modern in arrangements and equipment, adjoins the factory. Other frame buildings are a twelve car garage, an oil house and various storage sheds.

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good for business. It is good for the railroads. It is good for the consumer. It is good for everything but the one who raises it.

"That condition is wrong. It must be corrected by some method of handling the surplus. Cooperative enterprise has never been able to do that unaided. Some form of government intervention is necessary." In another issue this organ likens the export corporation to a balloon tire, which would absorb the shock of temporary surpluses.

*The Iron Age* does not view with favor the "grumbling over the consequences of their mismanagement of their business of the corn-grower," and refers to it as "the unsporting instinct." "What the farmers and many of the rest of them need is not a system of bureaucratically administered bonuses but is rather a guardian. What their legislators in Congress need is an impregnation with simple honesty and some courses in economies. What we all need is leadership that will see clearly, will reason intelligently and will tell the truth."

*Paint, Oil and Chemical Review* says: "The country in general is prosperous and the aver-



age business man hates the idea of having the Government dragged in to any artificial means of raising prices. A certain amount of common sense and patience on the part of the bankers, together with good business judgment like that shown by the Harvester Company officials will probably end the "emergency, which as we all know was primarily traceable back to land speculation in 1920.

"Government 'aid' in a republic like ours would establish a precedent which might lead to the most dire results."

*Commerce and Finance* says that the offer to increase the value of corn when exchanged for implements is an example of "inflation."

*The National Provisioner* sees little of merit in proposed legislation, for "farm prices cannot be stabilized by legislation. They follow unchanging economic laws, which no legislative dictum can repeal, though it may upset their orderly working for the time being. Neither economic law nor human nature can be changed by the ballot or statute."

*Labor* takes the stand that the farmer should settle his own troubles. "They must have a market organization that belongs to them, and they will not have it unless they pay for it. In a word, they must take a leaf from the experience of organized labor and come together in associations run by dues-paying members—for he who pays the piper calls the tune."

*Commerce and Finance* is authority for the statement that "there is enough truth in the outcries of the farmer against the tariff system to give a certain plausibility to any schemes he may propose."

"Agriculture provides today one of the few remaining examples of what the classical economists called 'free competition.' As long as this condition exists the farmer is always certain to get the short end of the stick. And if he ever does succeed in establishing an effective monopoly for his products the preponderating population of the cities will rise up to crush it, because in the last analysis, the interests of the consumer are bound to dominate."

"One prominent agricultural expert recently expressed the opinion that the farmer would only learn from experience the futility of artificial price-fixing. And after all, it might not prove an entirely unmixed evil."

"It might be the entering wedge to a general reduction of our whole tariff system, which is the one sound remedy that could be applied."







## EQUITABLE SERVICE

(in part)

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chief, or as an ingenious means of spiking an infernal machine by mounting it on wheels, or as an infusion of horse sense from horse power. Perhaps these imaginings are too vaporous, and the security of the republic is really bottomed on a more substantial structure. Of course, there is some reason for thinking that a man who keeps at work to support a car will have little time to give revolutionary impulses to his mental flywheel.

NOTHING less than scandalous is the charge that a pair of pink tights gave the world its first tub of circus lemonade. Tossing in the tights does give a plausible color to this gossip, but to swallow so sordid a slander is also to stomach belief that "property" lemons were used in the good old days. Away with this ghoully business! Circus lemonade is too venerable an institution to be overthrown by stirring up the ghosts of old tubs. Tartaric acid, aniline



dye, and water from the sea lion's tank though it may have been, there is no beverage so in character with the pleasant mimicry of circus day—a drink of satisfying pretense made for a world of make-believe.

NOT SO long ago the world craned its collective neck to read the smoky scroll of the first advertisements written in the clouds with the soaring strokes of a fleet airplane. Just another stunt, or a productive enterprise? Charles G. Peterson, engineer of the Wright Aeronautical Corporation of Paterson, N. J., bears witness to some results—a tobacco company increased sales of its cigarettes by 38 per cent, and the suggestion in New York's sky to call "Vanderbilt 7100" swamped the telephone exchange, he says. Only a straw is this appraisal, perhaps, but none the less one observer's measure of the public's responsiveness to innovation. Skeptics there are, of course, who rate all advertising more or less of a good risk, but they can hardly deny that the airplane has raised display space to a level where the sky's the limit.

IT MAY be that there is a direct relation of culture to altitude. Reason toward that conclusion is provided by Denver, where the City Club took a census of cultural activities. This census disclosed eighty cultural organizations with a total of about eight thousand members. Included were members of organizations interested in art, architecture, literature, music, dancing, museums, outdoor clubs, discussion and language groups.

Any attempt to measure culture in terms of membership in cultural societies is likely to mistake quantity for quality, but the Denver experiment recognized that even though its view was "a fairly broad one, still there are many activities left untouched—those that were too obvious and a few that were too subtle." And no doubt it would be interesting to a good many persons "to compare the proportion of Denver's cultural activities with those of ac-



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Opportunities are still open to high-grade men to share in the rapidly growing distribution of this remarkable office specialty.





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knowledgeable centers of American culture." Of course "it is very possible that a larger per cent of time by a greater majority of people is spent in the pursuit of culture in Denver than could possibly be devoted to mere mental progress in a larger city where the greater number of avenues is offset by the congested state of living."

That hypothesis implies a comparison of transportation and communication, for not always can a busy man bend time to his desire for culture, and not everywhere is it a matter of "fifteen minutes a day" or "as near as the telephone." Even so, the several kinds of mental pabulum cited in Denver's count of her cultured heads attest the variety of America's social and cultural interests. And now that Denver has shown the way, other cities may get around to assaying their populations at so much culture to the thousand.

**ANNOUNCEMENT** that a British "steamship company" is building six motor cargo vessels subscribes new faith to belief that the world has a motor complex. Along with other plain and fancy names, this age may be known as the age of motors—motors on land, in the air, and on the sea. Since the lingo of the garage and the hangar has set up a new vocabulary in all tongues, only a dash of salt may now be needed to put it into the mouths of sailor men. And no doubt some of the ribald old sea chanteys would be made more presentable for a little dry-cleaning with gasoline.

**IF NATIONS** were known by the prisoners they keep, the figures issued by the eminent Census Bureau on the prison population of the United States for 1923 would provide a tell-tale commentary. But getting down to statistics, as the Bureau's report assists us to do, the prisoners "present" on January 1, 1923, in the prisons, reformatories, jails, and workhouses of the country amounted to 109,619—signifying, the Bureau explains, that 99.7 persons out of every 100,000 of the total population were "doing time" at the beginning of 1923.

Commitments during the year were reported at 357,493—a ratio of 325.1 persons to the 100,000, enough, it would seem, to put national pride out of joint even if the Bureau had not determined to put its worst footnote forward, which it did with bluntly declaiming that

It must be emphasized that these statistics of sentenced prisoners are not by any means an adequate index of the number of crimes or misdemeanors actually occurring. A large proportion of lawbreakers are not apprehended. Of the persons who are arrested, only part are indicted and convicted. Finally, the statistics herein presented do not include the large number of convicted offenders who receive suspended sentences, nor the still larger number who get off with the payment of fines. Thus the limited number who are committed to prisons or jails under sentence represent in general only a fraction of the full number of offenders.

With that explanation it is no sop to optimism to know that from 1910 to 1923 the number of prisoners "present" on the census dates decreased 1,870, and the number of commitments 122,294—a brighter showing only because fewer lawbreakers were arrested, fewer convicted?

Of one pattern is the report, as drab and uniform in texture as prison gray itself. It is no "Who's Who" among the prison population, but rather a clinical analysis of the cold items of sentence, sex, age, color, and nativity from a life in which numbers do for



names—a report for 'ologists of one sort or another.

Other kinds of institutions have their commentators, of course—poorhouses, for illustration, with a wealth of facts and figures on the state of being broke. A report on the poorhouse of Cook County, Ill., located in Chicago, shows a total of 3,597 inmates. Among them were 1,361 laborers, 22 bricklayers, 33 butchers, 12 laundresses, 18 bakers, 16 seamstresses, 40 tailors, 3 glaziers, 10 masons, 17 metal workers, 14 molders, 66 painters, 14 plumbers, 73 carpenters, 11 electricians, 3 stenographers, 23 shoemakers, 11 merchants, 2 furriers, 14 florists, 3 druggists, 2 photographers, 32 barbers, 28 hotel workers, 37 porters, 4 chauffeurs, 16 blacksmiths, 6 harness makers, 15 stablemen, 54 teamsters, and 9 bartenders.

Explanation need not be far-fetched to make a case for the bartenders, but for most of the others reason is not so ready. On their face, the figures do seem to show that a man may have a trade, work at it at least long enough to be classified in it, and still land in the poorhouse.

BY ORDER of the Prussian Minister of the Interior the "gag" is proclaimed mightier than the blackjack, for the Minister believes that the police can "successfully master the most difficult situations if possessed of the weapon of humor." The police are instructed to "select all humorous utterances, whether spoken, written, or pic-



tured, coming to their attention in official or unofficial contact with the population."

From the assorted stock so selected, high-proof jokes are to be distributed to the force for use in subduing rebellious offenders. When exposed to one of the tested jokes, the prospective prisoner is expected to laugh himself into helpless submission.

The experiment has promising possibilities, though earlier application of the principle in this country had diverting consequences. Barber-shop wheezes undoubtedly drove some men to self-shaving, and frequent fizzes of home-made jests for dentists' use made a market for canned laughing gas. If the indifferent success of these trials indicates that the jokes were old and run down, the lesson is that bad "gags" should have no more toleration than bad eggs—jokes for public consumption should be thoroughly "candled" by inspectors with a working sense of humor, and firmly outlawed if the least bit stale or shady.

BEFORE railways were built in Europe young English aristocrats made the "grand tour" by coach. Arrived on the continent they journeyed by easy stages through Switzerland, France, and Italy, and home by way of Germany. This tour was the orthodox finish of their education. A more elaborate apparatus of travel is now available to young Americans interested in the cultural aspects of a tour abroad, for in October a passenger liner equipped with classrooms,

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## The results of your life work— are they protected?

**E**VERY man is interested in making wise provision for his family's future. This can be accomplished by means of a properly-drawn will. While the preparation of wills is a matter for lawyers, there is a great deal of general information about them which should be possessed by the head of every family.



### Who Will Get Your Estate?

This booklet contains true stories about estates and points out pitfalls to be avoided in the management and distribution of your estate.



### Your Wife and Your Insurance

This folder explains a plan to assure the wise management of the money your policies will bring after your death.



### Your Wife and Your Estate

This folder contains a letter from a man who wanted to know the best way to have his will drawn, and whether he should name a trust company or bank as executor and trustee. Both the letter and the reply are interesting.

During the past five years, the Trust Company Division of the American Bankers Association has been pointing out, through the publication of a series of messages, ways of safeguarding the distribution and management of estates.

In connection with this work a number of valuable booklets and folders have been issued for free distribution.

A reading of one or all of these booklets will make clear to you why thousands of persons have acted upon these suggestions and named an executor and trustee possessing experience, financial responsibility and continuous existence. You will learn too, why it is also to your best interest to act upon your suggestions.

Call upon your own trust company or bank, or write to the address below for copies.

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gymnasium, and library will sail from New York on a voyage around the world.

This cruise, under the auspices of the University Travel Association of New York, offers the traditional broadening effects through a considerable number of courses to be given by a staff of fifty professors and instructors. The four hundred and fifty persons who can meet the admission and expense requirements will be enabled to visit "thirty-five countries and fifty important cities," so the announcement reads—a glorified amendment to the "grand tour" only possible because of improved conveniences and facilities of transportation.

**F**ROM England comes announcement that "the freehold of the British Empire exhibition" at Wembley is to be sold, either "by private treaty or by auction." Along with the impressive catalog of buildings and equipment is the statement that "two lines of railway . . . bring Marylebone and Baker Street within eleven minutes." That is progress. Suburban trains from Baker Street . . . like as not, the old lodgings of Sherlock Holmes have gone the way of the rumbling "four-wheeler." Even his characteristic "Quick, Watson, the needle!" in this day would call for a sedative from music rather than from morphine.

**O**N THE walls of a prince's tomb in Egypt are carvings telling that

King's son, Ne-kau-Re, he makes the following command while living on his two feet without ailing in any respect. . . .

That inscription was copied from the text of the prince's will made 2,845 years before Christ, archaeologists say. In our own times, almost forty-eight centuries later, a man engaged in making his will would not deviate greatly from the prince's assertion of capacity, for he would write in some such form as

I, John Doe, being in good health and sound and disposing mind, do hereby. . . .

Each of those formal declarations signifies a desire to transmit property by choosing the inheritors—a desire that was active and expressive 2,845 years before Christ.

Not in that prince's time did the maker of a will have complete assurance that his bequests would be faithfully and efficiently observed, for "the administration of individual estates by banking and trust companies is of relatively recent origin." Nowadays a good many persons designate institutions, rather than individuals, as trustees and executors of their estates, and even when no will is made there is "a growing tendency of the courts to appoint such institutions as administrators for the estates." But not until 1885 did the device of corporate trusteeship have any large measure of application, according to the Bank of the Manhattan Company, which has traced the development of this method in "The Biography of an Idea."

During the five-year period, 1885 to 1890, the Bank says, 518 new companies were incorporated for the transaction of trust business; by 1924 the number of trust companies, and of national and state banks with trust departments, had increased to 4,762, having "aggregate individual and corporate trust responsibility estimated at the amazing total of \$70,000,000,000."

The published results of the bank's research invite conclusion that the will of the dead best serves the living when it makes provision for the administration of estates through corporate trusteeship.





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"A little knowledge is a dangerous thing." For legal procedure retain a qualified attorney—for package designing, utilize a Package Engineer.

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Traffic regulations, inter-state shipping rules, changing trade requirements, shipping facilities, storage and warehousing requirements, cost—all these vital factors demand consideration in package design.

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**O**NLY to a factory-trained, laboratory-schooled, thoroughly experienced Package Engineer can you afford to entrust the responsibility for your package design. It's a specialist's job to gauge correctly the variable importance of each of your many packaging factors and design a package which accurately and successfully meets them all.

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A complete and interesting outline of the broad and helpful scope of his service is contained in the booklet, "HOW TO USE H & D FREE SERVICE." The coupon below makes it easy to write.



He knows packages—

**F**OR example, an H & D "P. E." called on the Dazey Churn & Mfg. Co. four years ago. The outcome of that call, as reported by the customer, is a 20% saving in shipping weights, an aggregate annual saving of \$15,000 to \$18,000. Both churns and knife sharpeners are now H & D packed.



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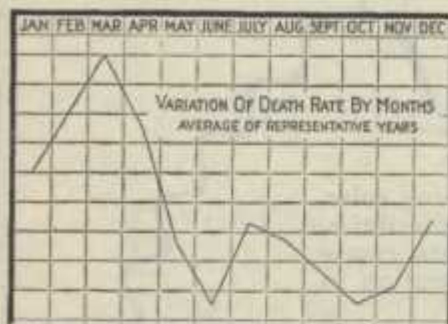
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## Do People Live Longer in Florida?



They should according to the chart above, for it proves the most fatal months to be those when King Winter holds the North in his icy grasp.

It is not alone the cold weather but the indoor life that makes the Northern winter a season of sickness and death. Hence wisdom dictates wintering or living permanently in an out-of-door country such as Florida.

But seek not Florida's too-crowded cities. These are not always so conducive to health and longevity as a strictly residential and recreational community such as Indrio, now being developed at great expense in a natural garden spot.

### INDRIO the Beautiful

Indrio lies 60 miles north of Palm Beach on the Dixie Highway, the Florida East Coast Railway and the Indian River, a picturesque inlet of the Atlantic Ocean. Here man is combining with Nature to create America's most beautiful home town.

If you are coming to Florida this winter, stop off for a day at Indrio. Drink in the beauty of its natural surroundings; see the broad streets and spacious homesites which are making it the most talked-of community in Florida.

Now, while desirable homesites may still be secured by an initial payment of only a few hundred dollars, is the time to investigate Indrio as a permanent or winter home. So plan to see it for yourself or write for illustrated color brochure.

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# INDRIO

## Florida



## News of Organized Business

ALTHOUGH the premiums paid during 1924 by American policyholders increased 6.5 per cent over the premiums paid during 1923, the special taxes, licenses, and fees collected by the states during 1924 increased 13 per cent over similar collections during 1923, says a bulletin on special state insurance taxes prepared by the Insurance Department of the Chamber of Commerce of the United States of America. "These imposts," the bulletin explains, "were paid by policyholders. They do not include the taxes paid by insurance companies in common with other forms of business."

This bulletin, No. 21, supplements the detailed analysis of the state insurance tax system made by the Insurance Advisory Committee of the National Chamber for submission to the twelfth annual meeting of the Chamber, and also the report included in No. 12 of the Insurance Department's bulletins. An explanatory paragraph of the current report asserts that

the extreme pressure for revenue to meet war demands has considerably decreased. As a consequence, the Federal Government has revised and is continuing to revise its tax laws, not exclusively for the purpose of reducing collections but also in an endeavor to place the taxation system upon a sounder economic basis. The special impost levied upon policyholders by the Federal Government was a premium tax. This was eliminated in the 1921 revenue act. The states have not followed this example.

Included in this report is a discussion of the upward trend of taxes, and also a symposium of the views of public officials, together with tables showing types of special insurance taxes by states and the amounts of the insurance licenses, taxes, and fees collected by the states in 1924.

Copies of the advisory committee report, and of bulletins 12 and 21 are obtainable from the Insurance Department, Chamber of Commerce of the United States of America, Washington, D. C.

### Courtesy Membership Gets Members



A THREE-MONTH membership in the chamber at Stockton, California, is given to each newcomer qualified to become a member of the chamber. This courtesy is granted after a representative of the chamber has talked with the newcomer. During the three-month period representatives of the chamber see to it that the services of the chamber are made known to the prospective member, and that he is invited to attend at least one of the monthly luncheon meetings. The chamber also assists the newcomer and his family to make social contacts in the community. At the end of the three months, he is asked to take a permanent membership. In this way a considerable number of memberships has been obtained, the chamber reports.

### Municipal Taxes Studied

IN ORDER to discover whether the aggregate of local taxes can be reduced by restrictive legislation, or by eliminating some municipal enterprises and getting more economical operation of others, the Massachusetts State Chamber of Commerce, Boston, is sponsoring a three-year study of the problems of municipal taxation. Another objective of the study is to establish a more equitable distribution of the

burden of taxation by the further development of improvement assessments, and also more scientific methods of valuation by the elimination of obsolete provisions in abatement laws and by advocating the appointment of assessors trained in scientific systems of making assessments and determining valuations.

### Milwaukee Teaches Foremen Safety



MILWAUKEE'S foremen's safety school, planned by the Safety Division of the Milwaukee Association of Commerce to "wholesale safety through foremen as the link between management and men" is now offering its sixth annual free course of instruction to foremen and supervisors

of Wisconsin industries. Forty-six meetings are scheduled, beginning December 16, 1925, and ending May 12, 1926. Announcements of the courses make clear that

employers and employed alike have a definite interest in safety. For Wisconsin workmen in 1924 sustained 22,766 compensable casualties, of which 155 were fatal, involving a working day's loss equal to the time of 9,277 men for one year. The cost to employers for indemnity and medical aid, under the workmen's compensation act, was \$4,200,479.

Appraising the usefulness of the school, the Safety Division says

that the school has an important place in the life of the community is demonstrated by the fact that its activities reach directly or indirectly 75 per cent of our industrially employed population. This result is made possible by widespread interest in the project, the contribution of 47 speakers and the service of a voluntary organization of 55 representatives of Association members.

The school is much more than a mere series of meetings. Its gatherings are miniature safety congresses, instructing and inspiring in the important principles and practices of safety, fire prevention and first aid. It functions through the medium of addresses, exhibits, demonstrations, discussions, moving pictures and otherwise. The school deals effectively with leadership, efficiency, labor turnover, production, employment and related problems.

For the two and a half years ended December 31, 1925, the work of the Safety Division was directed by Harry J. Bell, now the executive director of the Association.

### Bankers Try to Improve Cotton

BECAUSE the Cotton Manufacturers Association of Georgia believes "it entirely possible to produce good character inch staple cotton in every county of Georgia without reducing the per acre yield," George S. Harris, president of the Association, has commended by letter the work of the Georgia Bankers Association to improve the quality of the staple and to obtain complete community cooperation for maintaining the improved quality in order that producers may get the full value of their cotton. In explaining the need for improved quality, and the readiness of his Association to assist the bankers in that behalf, Mr. Harris wrote:

The cotton mills of Georgia, particularly, and the citizens of our state, generally, are interested in the quality of the cotton produced by the Georgia farmers. There was a time when Georgia cotton and especially North Georgia cotton always brought a





Reproduction from a painting made on the estate of Mr. Edward Bok, Mountain Lake Club, Lake Wales, Florida, by Frank Swift Chase

© The D. T. E. Co., Inc., 1926

## What does Davey Tree Surgery cost?

*More than 80% of Davey clients are people of moderate means and invest relatively small amounts*

**I**N 1925 Davey Tree Surgeons served 13,086 clients.

Of these 9289 paid less than \$100 each.

1972 paid from \$100 to \$200 each.

1525 paid from \$200 to \$500 each.

298 paid \$500 and upwards.

Although Davey Tree Surgeons serve a majority of the best known and wealthiest families in America, an overwhelming proportion of their clients are people of moderate means.

Suppose you have just one fine tree in need of expert care—or a dozen trees, or any number. Suppose you wish to invest only a moderate amount. Don't hesitate to call Davey Tree Surgeons. You can limit your investment to any sum that is convenient to you. There is no charge for care, no charge for travelling time, or time lost through bad weather or other causes; the only charge is for actual working time on your place, plus the materials and cost of delivery.

This is the most inexpensive professional service in America, made possible by large volume—a business of nearly \$2,000,000 in 1925, an increase of 100% in three years.

Even though you invest only a few dollars or a few hundred dollars, you get the same highly expert, reliable service as the client who spends thousands.

Nearly 600 Davey Tree Surgeons are at work, some of them living near you, anywhere between Boston and Kansas City, from Canada to the Gulf.

All Davey Tree Surgeons are employees of The Davey Tree Expert Company—all carefully selected and thoroughly trained—all diligent workers, painstaking, intelligent, conscientious—all properly disciplined and held to a high standard of service; only two men out of a hundred applicants are good enough for the Davey organization.

Among prominent persons and institutions served by the Davey Tree Surgeons are the following:

HON. C. G. DAWES  
FLORENZ ZIEGFELD  
HARTFORD FIRE INSURANCE CO.  
RUSSELL SAGE COLLEGE  
S. DAVIES WARFIELD  
UNIVERSITY OF MISSOURI  
EDWARD B. McLEAN  
MRS. WALTER E. FLANDERS  
THE ROYCHOFFERS  
MILBANK ESTATE



JOHN DAVEY  
Father of Tree Surgery  
Reg. U. S. Pat. Off.

Attach this coupon to your letterhead and mail today

The Davey Tree Expert Co., Inc.,  
354 City Bank Bldg.,  
Kent, Ohio.

Gentlemen: Without cost or obligation on my part, please have your local representative examine my trees and advise me as to their condition and needs.

THE DAVEY TREE EXPERT CO., Inc., 354 City Bank Bldg., Kent, Ohio

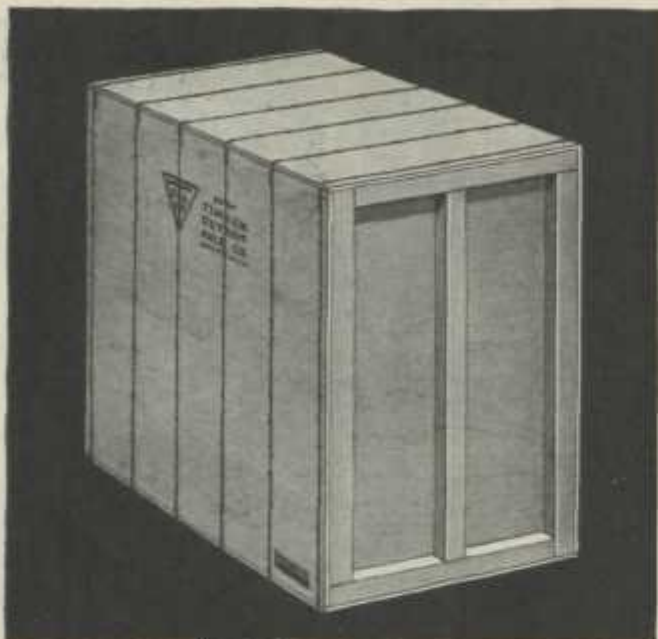
Branch offices with telephone connections: New York, 303 Fifth Ave., Telephone; Murray Hill 1632; Albany, 200 City Savings Bank Bldg.; Boston, Massachusetts Trust Bldg.; Philadelphia, Land Title Bldg.; Baltimore, American Bldg.; Washington, Investment Bldg.; Pittsburgh, 311 Fourth Ave.; Buffalo, 114 Franklin St.; Cleveland, Hippodrome Bldg.; Detroit, General Motors Bldg.; Cincinnati, Mercantile Library Bldg.; Louisville, Cold Bldg.; Indianapolis, 125 Fletcher Savings & Trust Bldg.; Chicago, Washington Bldg.; St. Louis, Arcade Bldg.; Kansas City, Leavenworth Bldg.; Minneapolis, 520 Andrew Bldg.; Montreal, 222 Insurance Exchange Bldg.

# DAVEY TREE SURGEONS

Every real Davey Tree Surgeon is in the employ of The Davey Tree Expert Co., Inc., and the public is cautioned against those falsely representing themselves. An agreement made with the Davey Company and not with an individual is certain evidence of genuineness. Protect yourself from impostors. If anyone solicits the care of your trees who is not directly in our employ, and claims to be a Davey man, write headquarters for his record. Save yourself from loss and your trees from harm.

When writing to THE DAVEY TREE EXPERT CO., INC., please mention Nation's Business





## Pioneers *carry* weights MEN CANNOT LIFT



It takes a chain fall hoist to lift a Timken carrier assembly into the light Pioneer Wood Box that carries it safely. Surely your shipping problem is not more difficult than this.

The Timken-Detroit Axle Company used to make its own boxes—good, strong, heavy boxes out of one inch lumber. When General Box Engineers were invited in they developed a special Pioneer Box out of one-quarter inch lumber with reinforced ends.

This lighter box had a lower initial cost, cut transportation expense, proved to be a better container for the 700-pound contents, and was re-usable by the receivers as it suffered no damage in opening.

"General Box Service" will tell you what General Box Engineers are doing, without charge, for manufacturers in practically every industry. "Incoming Shipments" treats of your containers from your customer's point of view. Write for these booklets.

### GENERAL BOX COMPANY

504 North Dearborn St. • Chicago, Ill.

Factories—Bogalusa, La., Brooklyn, N. Y., Cincinnati, Ohio, Detroit, Mich., East St. Louis, Ill., Ilmo, Mo., Kansas City, Mo., Louisville, Ky., Nashville, Tenn., New Orleans, La., Sheboygan, Wis., Winchendon, Mass.

## GENERAL BOX SERVICE

ONE COMPLETE SERVICE FROM TIMBERLANDS TO FINISHED PRODUCTS

When writing to GENERAL BOX COMPANY please mention Nation's Business

premium. The character of the staple was peculiarly adapted to certain uses. Recent years have seen this cotton deteriorate until today Georgia mills are buying a considerable percentage of their requirements beyond the borders of our state. This is resulting in a loss of from \$5 to \$7.50 per bale, and means, if applied to the entire state, probably as much as \$7,000,000 in this year's crop.

You have advisers more competent than we are to devise proper methods for bringing about this movement. We can only say that we are very much interested, and will be glad to cooperate in any way possible. This is the farmer's problem, and for which he will receive a very handsome reward for his efforts.

### Candy Men Organize Trade Board



ONE OF the first fruits of the National Distribution Conference, held in Washington under the auspices of the Chamber of Commerce of the United States of America, is the organization of a "joint candy board" in the New York zone "to provide working cooperation in all its trade units,

to iron out difficulties between members of the four units, to solve burdensome problems of all units, to provide ethics in dealing and to regulate the trade for fair dealings." The work of the board, which includes three manufacturers, three jobbers, three retailers, and two salesmen, will be directed toward "stabilizing, solidifying, and concentrating the candy trade in this zone."

According to the *International Confectioner*

this board will hold stated meetings and at them will discuss all sides of the candy trade in this zone. The first work will be to plan cooperative methods so that all units will proceed in harmony. The various problems presented by the units will be discussed so that all units may know the troubles of each, and together the board will attempt to solve these problems. Differences between members of units with another unit will be ironed out. Ethics of trade will be set down and the board, backed by the organizations behind the delegates, will enforce them.

All actions will be decided upon with fairness and in a legal manner. There is every legal incentive for such a board and the recent action of the United States Chamber of Commerce in advocating this plan of industry government by the organization of a joint trade relations board makes it unanimous.

And further, the *Confectioner* defines some of the opportunities for service open to the new board with saying that

commercial arbitration is not the panacea for business. The settlement of trade disputes, which lead to the courts by arbitrament is a conspicuous success in the saving of time and money. It is highly desirable, but is not a first but last resort. Before that comes conciliation so that disputes can be settled by amicable agreement. Before even that comes a statement of trade evils which are unfair to someone, unethical, wasteful and thus uneconomic. And back of that is the whole new process—which in time will be in effect in every industry—which starts in cooperation by every unit in an industry, a fair agreement on matters to be solved, and the power of the associations backing the units to enforce trade edicts for the well-being of all.

### Locarno Treaties Interpreted

AN INTERPRETATION of the Locarno treaties and a digest of their terms, made by the Committee on Foreign Affairs of the



Chamber of Commerce of the United States of America, has been published by the Chamber for the information of its members. This report, with the title of "What the Locarno Treaties Mean," is predicated on the assumption that in order

To grasp the full significance of the treaties initialled at Locarno, Switzerland, on October 16, and solemnly signed in the halls of the British Foreign Office in London on December 1, it is necessary to go back in the peace movement, perhaps as far as the original League of Nations Covenant. For what was finally consummated at Locarno is the product of the six years of international meetings and discussions since the Peace Conference.

#### New Foreign Commerce Handbook

THE VARIETY of the National Chamber's considerations related to foreign trade is indicated by the subjects included in the latest edition of the Chamber's Foreign Commerce Handbook. To illustrate:

Standards for American Chambers of Commerce Abroad.

The United States Government Department of Commerce—Improvement of facilities and service of the Bureau of Foreign and Domestic Commerce.

The United States Department of State—Improvement of the Foreign Service.

Passports and Visas—Reduction of fees and elimination of vexatious requirements.

Encouragement of American investments abroad.

Tax exemption for Americans abroad.

Federal incorporation and taxation equality for American companies in China.

Better commercial relations with Canada.

Principles of tariff legislation in United States.

Commercial treaty policy of the United States Government.

American Merchant Marine.

Free Zones in ports of the United States.

Quality standards for export.

Arbitration of trade disputes.

Combinations in export trade.

Parcel Post with Cuba.

Imports of merchandise by regular (sealed) mails.

Adequate United States naval patrol in China.

Also included are seventy separate headings with references to sources of information on foreign trade and foreign trade services in the United States. The handbook, alphabetically arranged to facilitate the use of the references, is obtainable from the Foreign Commerce Department of the Chamber of Commerce of the United States of America, Washington, D. C.

#### Digest Supplants Greater New York

A NEW information service for members has been provided by the Merchants Association of New York through the *Digest*, a publication with pages 9 inches by 4 inches, printed with elite type on one side only of each page. The *Digest*, to be issued at irregular intervals, takes the place of *Greater New York*, published weekly by the Association for the last fourteen years, and is intended:

To give in the least amount of space the high points of interest in the Association's work in which members are interested.

To cover each subject on a separate sheet, with a blank for writing to members of the staff or firm who should see it.

To present any lengthy material in pamphlet form, enclosed with the service pages.

#### Industrial Commission for Davenport

INFORMATION on the resources and facilities available in Davenport, Iowa, to prospective industrial establishments is now presented through the Davenport Industrial Com-

## OPINION VERSUS FACT

Opinion valuations are those based upon the judgment of an individual. They are usually incapable of proof.

~\*~

The American Appraisal Company's valuations are based upon definite, recorded analyzed facts.

~\*~

They are determined through the co-operative effort of trained appraisers who utilize systematized cost analyses and statistics, who are subject to the checks and guidance of predetermined and tested standards of valuation and who are under the control and direction of the organization's concerted judgment and experience.

~\*~

The American Appraisal Company's valuations are disinterested, authoritative and capable of proof.

~\*~

American Appraisal standards have been developed and tested in the appraisal of over thirty-five thousand Industrial, Public Utility and Commercial Properties.

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## The American Appraisal Co.

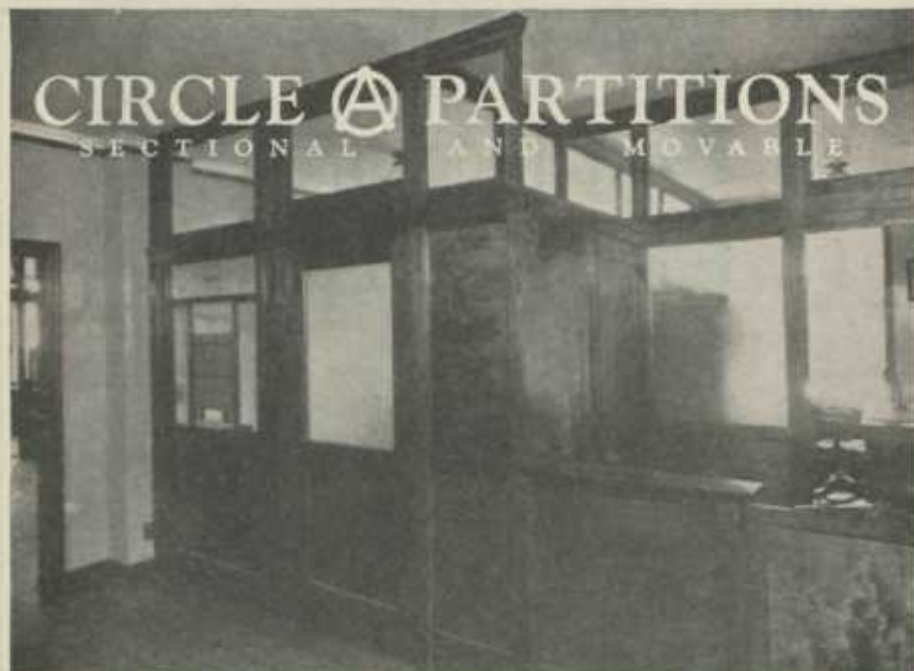
HOME OFFICE, MILWAUKEE

PUBLIC UTILITIES - INDUSTRIALS - REAL ESTATE PROPERTIES - NATURAL RESOURCES

A NATIONAL ORGANIZATION

When writing to THE AMERICAN APPRAISAL CO. please mention Nation's Business





## ALL BUILT FROM STANDARD UNITS

This fine cabinet work is formed by the assembly of standard units of Circle A Partitions—including the railing, ceiling height partition with wicket section, and the wardrobe and lavatory closets. All sections, upper and lower, fit together with tongue-and-groove joints; no connecting hardware shows. Upper sections are removable in frames without disturbing lower sections. The whole structure is easily taken apart and rearranged at will.

CIRCLE A PRODUCTS CORPORATION, 658 South 25th St., Newcastle, Ind.



## Japan - China Round the World

Go to the Orient or circle the globe in comfort aboard a Dollar Steamship Line. They depart from San Francisco every Saturday for Hawaii, Japan, China, Manila, Malaya, Ceylon, India, Egypt, Italy, France, Boston and New York.

On fortnightly schedules they sail from Boston and New York for the Orient via Havana, Panama and California. Palatial Liners, they offer rare comfort and a world-famous cuisine. Full information from any ticket or tourist agent or

604 Fifth Avenue, New York City  
Robert Dollar Building, San Francisco, California

# DOLLAR STEAMSHIP LINE

# all the west



## is close to Oakland-

**G**EOGRAPHICALLY... and from the standpoint of population-distribution and transportation, Oakland is in the center of our great western empire.

Vast markets... raw materials for your factories... deep-water ships for your coastwise or foreign freight, ALL are here.

This bank will send private answers to your inquiries about OAKLAND.

**THE OAKLAND BANK**  
12th & Broadway, Oakland, California

# OAKLAND is the place to start

mission. Reasons for organizing the Commission are given in one of its announcements:

Realizing that many manufacturers are anxious to receive intelligent information from reliable sources concerning possible new or branch locations, or suitable complementary industries this Commission was founded. The plan of the Commission provides that our industrial commissioner visit your community at which time he will be prepared to furnish detailed reports regarding the advantages of Davenport. Complete confidential reports will be compiled on request.

## Live Wires Dine in Power House



**A**T THE suggestion of C. E. Riddell, secretary of the Miami, Florida, Chamber, the annual winter banquet of the Chamber's Live Wire Club was held in the power house of the Miami Electric Light & Power Company. As arranged by H. H. Hyman, general manager of the company

the thirty-one members of the Club present were seated at a table surrounded by roaring generators, towering switchboards and gleaming dials. They drank water from glass insulators; sipped coffee from larger porcelain insulators, and waitresses clad in overalls and mechanics in black skull caps served coffee and cream from glistening oil cans.

During the banquet the members pledged themselves to a campaign "to encourage the establishment of permanent industries in Miami," and Mr. Riddell, who presided, announced "as an incentive to civic workers, a loving cup valued at between \$500 and \$1,000, which will be awarded to the person named as Miami's most valued citizen during 1926," the name of the donor and the conditions of award to be made known later.

## State Development by Federation

**A**PLAN of state development intended to produce a "Bigger and Better Indiana" is now in course of application through the Indiana Development Council, "a federated effort of more than two dozen associations for a business building and advertising program for Indiana... advisory in character... composed of state associations and groups devoted to commerce, industry, finance, agriculture, and civic, patriotic, and educational lines."

These federated associations and groups are to operate from Indianapolis through the Indiana State Chamber of Commerce. A definitive outline of the plan is provided by George H. Mosser, managing director of the State Chamber, who explains that:

The State Chamber's president is chairman and its managing director is the secretary of the Council and the program will be carried into effect through an executive committee of seven, representing the allied groups, working in close relationship with the governing board of the State Chamber. As the State Chamber's board is composed of thirty-six directors from thirty-two leading Indiana cities, and since commercial and business bodies in nearly seventy cities are affiliated members of the State Chamber the possibilities for unified, state-wide promotive effort easily are apparent.

And of earlier efforts in behalf of state development, he says:

Indiana's past publicity and business-building endeavors have been local, intermittent and at times harshly competitive. Frequently, contending Indiana cities have "swapped industries," so to speak, or striven



against each other to the gain of cities of other states. The program of the Indiana Development Council is designed to insure state-wide stability and prosperity, so that there may be even greater returns for organized local activity.

The plan now to be applied requires a budget of \$50,000 for the first year's work, and of the budget

\$10,000 will be assigned to the fact-finding agencies for their operations, supplementing their present appropriations from the state. The remainder will be devoted to establishing the department of information, newspaper and magazine publicity, books, pamphlets and illustrated literature advertising the state's resources.

#### Foreign Trade Convention Dates

**THE THIRTEENTH** national Foreign Trade Convention will be held at Charleston, South Carolina, April 28, 29, and 30, according to O. K. Davis, secretary of the National Foreign Trade Council, 1 Hanover Square, New York. Mr. Davis says that

Foreign trade representatives from every section of the country will gather at Charleston to take concrete action looking to the development of Atlantic and South Atlantic trade with Central and South America, with Europe, and the Far East. The fact that it is three South Atlantic ports, Charleston, Savannah, and Jacksonville, now the fifteenth, sixteenth, and seventeenth, respectively, in tonnage of imports into the United States, which have shown the most concerted development in American foreign trade in recent years was one of the vital reasons for choosing Charleston as the next meeting place of America's principal convention on the business of foreign trade.

The development of new trade routes out of and into the United States has become of outstanding interest to foreign traders since parity rates to the United Kingdom and Europe have been given to the South Atlantic ports in high seas transportation and since domestic railroad rates have been revised favorably to this section by the Interstate Commerce Commission.

The new progressive south is waking up to foreign trade, and our gathering is sure to reflect very broadly the interest of the rest of the country in this trend, most especially throughout the middle west, which is particularly concerned now with new shipping points and is itself in the midst of a great foreign trade development. We expect to have one of the most interesting and profitable conventions in our history at Charleston.

#### Coming Business Conventions

From information available January 25:

Date	City	Organization
March 2	.....	Western Petroleum Refiners Association.
2-3	Detroit	Health and Accident Underwriters Conference.
4	Boston	New England Street Railway Club.
10-11	Philadelphia (P)	Pennsylvania, New Jersey and Delaware Wholesale Grocers Association.
15-17	New Orleans	Southern Gas Association.
16-17	New York	National Association of Waste Material Dealers.
24	New York	Silk Association of America.
29	New York	Motion Picture Producers and Distributors of America.

Other organizations, scheduled to hold conventions in March, but for which the dates and places were not available at the time this list was compiled, included: Association of Cocoa and Chocolate Manufacturers of the United States, Electric Hoist Manufacturers Association, National American Wholesale Lumber Association, National Association of Bakers Supply Houses, National Association of Manufacturers of Pressed and Blown Glassware, National Automobile Chamber of Commerce, New England Association of Boiler Manufacturers, New England Coal Dealers Association, Southern Pine Association, Southern Yarn Spinners Association.

## OAKLAND [AND ALAMEDA COUNTY] CALIFORNIA

*Advantages of the West's Fastest-growing Industrial District\*—No. 5*



### "Our Workers Live in Homes Like These

and that is one of the reasons why Oakland leads the nation in labor efficiency. Jim, compare these homes with one of your eastern tenement districts. Here there are miles of just such bungalows, within easy reach of the places where the men are employed, and forty-two per cent are owned by the families which occupy them.

"There are splendid school facilities throughout Alameda County, plenty of parks and playgrounds, every opportunity for recreation — and when you have all of these and fine home surroundings you can understand why our employees are contented and happy.

"Contented workers, with the nearest to an ideal working climate of any industrial city in America, produce wonderful results.

"Peet Brothers have beaten the middle western plant by 20 percent; Judson Iron Works claim 21 percent higher efficiency than eastern competitors; the General Electric, Maz-

da Lamp Division, finds Oakland worker-efficiency higher; the Pacific Coast Shredded Wheat Company states that labor, in the cereal industry, is 25 percent more efficient, in summer and winter, than in the Middle West and East.

"During the war the Bethlehem Shipbuilding Corporation, Alameda Plant, hung up a world's record in launching a 12,000-ton steamer in twenty-four working days.

"Let's go over to my plant now and I'll give you more facts on why you should locate your Pacific Coast plant here."

(To be continued in the April issue.)

A detailed industrial survey of Oakland will be mailed on request to any interested industry.

Write Industrial Department, Chamber of Commerce

## OAKLAND, CALIFORNIA

\*This district includes the principal cities of Alameda County—Oakland, Berkeley, Alameda, Emeryville, San Leandro, Hayward, Newark, Niles—and is being advertised co-operatively by the Oakland Chamber of Commerce and the Alameda County Board of Supervisors.

When writing to OAKLAND CHAMBER OF COMMERCE please mention Nation's Business



## "It's Wonderful"



### METALUSTER STEEL FURNITURE POLISH

#### For Cleaning, Polishing, and Preserving Steel Office Furniture

At last! METALUSTER—a new and exclusive Van Dorn product invented to protect steel office furniture from damage caused by the indiscriminate use of questionable polishes and cleaners not intended for use on baked enamel surfaces on steel.

Owners of steel office furniture should insist on the consistent use of Van Dorn METALUSTER! As a cleaner, it effectively removes dirt and fingerprints. As a polish, it restores the luster of the baked enamel surfaces. As a preservative, it protects scratched or exposed surfaces from rust. METALUSTER rubs dry; prevents water stain; will not gather dust; and imparts an *enduring* luster. It is quickly and easily applied and economical to use.

Ask your office supply dealer for Van Dorn METALUSTER. If he can't supply you, write us. Accept no substitutes. *There are none!* Sold in three sizes: Pints, Quarts, and Gallons. Descriptive folder sent upon request.

#### THE VAN DORN IRON WORKS CO.

2685 East 79th St., CLEVELAND, OHIO  
Branches: New York, Washington, Chicago,  
Pittsburgh, Cleveland  
Agencies in All Principal Territories



## Reviews of Recent Business Books

**American Foreign Investments**, by Robert W. Dunn. The Viking Press, New York, 1926.

That America is today the greatest source of lending capital in the world, and that she will retain this position, are contentions of Mr. Dunn. He suggests the possibility of our foreign investments expanding until we have private capital abroad to the extent of 25 billions of dollars by 1935 and to the extent of 50 billions of dollars by 1950.

The four hundred pages of this book are very largely devoted to straight compilations of matters of fact concerning our owning, operating and investing activities outside continental United States.

One hundred and eighty-five pages are devoted to the compilations and discussion of compilations, and the rest of the book consists of appendices showing the form of foreign loan contracts, the actual text of many documents relating to public concessions abroad, the terms of private loans to various foreign governments, and a bibliography.

In the text there are tables giving the details of United States Government loans to foreign governments, private loans made in the American market to foreign governments, municipalities, provinces, states, etc.; private loans to foreign industrial concerns, public utility companies, banks, mining companies, etc. That American activities abroad are most extensive in our own Western Hemisphere, that American capital in one form or another is active in every country in the two Americas, and that Canada, Cuba and Mexico occupy a good deal of the space, are not matters of surprise. Perhaps the details of this activity will be more or less of a revelation to the reader not directly familiar with this field. Probably more of a surprise, however, will be the extent of American activities in other parts of the world. This book covers all the continents, and includes references to mining in Soviet Russia, oil in Mesopotamia, and Firestone rubber plantations in West Africa.

It appears that American investors have been acquiring substantial holdings in foreign railroads, public utilities, manufacturing companies, mining companies, oil companies, steamship companies, and fruit and sugar companies, while American corporations are producing and operating abroad in connection with petroleum, copper, gold and silver, manganese, bauxite, cement, sugar, fruit, packinghouse products,

and in fact a wide range of manufactured articles.

Mr. Dunn's book is not only valuable for reference, but interesting to read as an indication of certain material aspects of America's importance in the post-war world.—C. D. S.

**Income Tax Procedure**, by Robert H. Montgomery. The Ronald Press Company, New York, 1926.

The tenth annual edition of a valuable book, which has grown since its first edition, in 1917, from a few hundred pages to two volumes containing 3,000 pages.

**The Case of Bituminous Coal**, by Walton H. Hamilton and Helen R. Wright. The Macmillan Company, New York, 1925.

An unusually readable study of a much abused and much confused industry. As the authors say: "Starting a coal industry anew is one thing, and getting an old one in hand is quite another."

**Aeronautical Meteorology**, by Willis Ray Gregg. The Ronald Press Company, New York, 1925.

The first volume of the Ronald Aeronautic Library. The author is meteorologist of the United States Weather Bureau. Other volumes soon to come are on "Balloon and Airship Gases" and "Aircraft Instruments."

**The Handbook of Window Display**, by William Nelson Taft. McGraw-Hill Book Company, Inc., New York, 1926.

The editor of the *Retail Ledger* has prepared a useful guide to this important form of store advertising. Interesting as his text is, he has wisely chosen to rely largely on photographs of effective window display, thus letting illustrations help tell his story. It is not only the great department store with its hundreds of feet of window, but the small shop with its few feet, that can profit by Mr. Taft's handbook.

**Budgeting to the Business Cycle**, by Joseph H. Barber. The Ronald Press Company, New York, 1925.

The head of the Planning and Statistics Section of the Walworth Manufacturing Company



The Landing of the Pilgrims, from a painting by James G. Tyler in the Mayflower Hotel at Washington

When writing to THE VAN DORN IRON WORKS CO. please mention *Nation's Business*



# Now! Each Window A Lighting Unit of Indirect Daylight

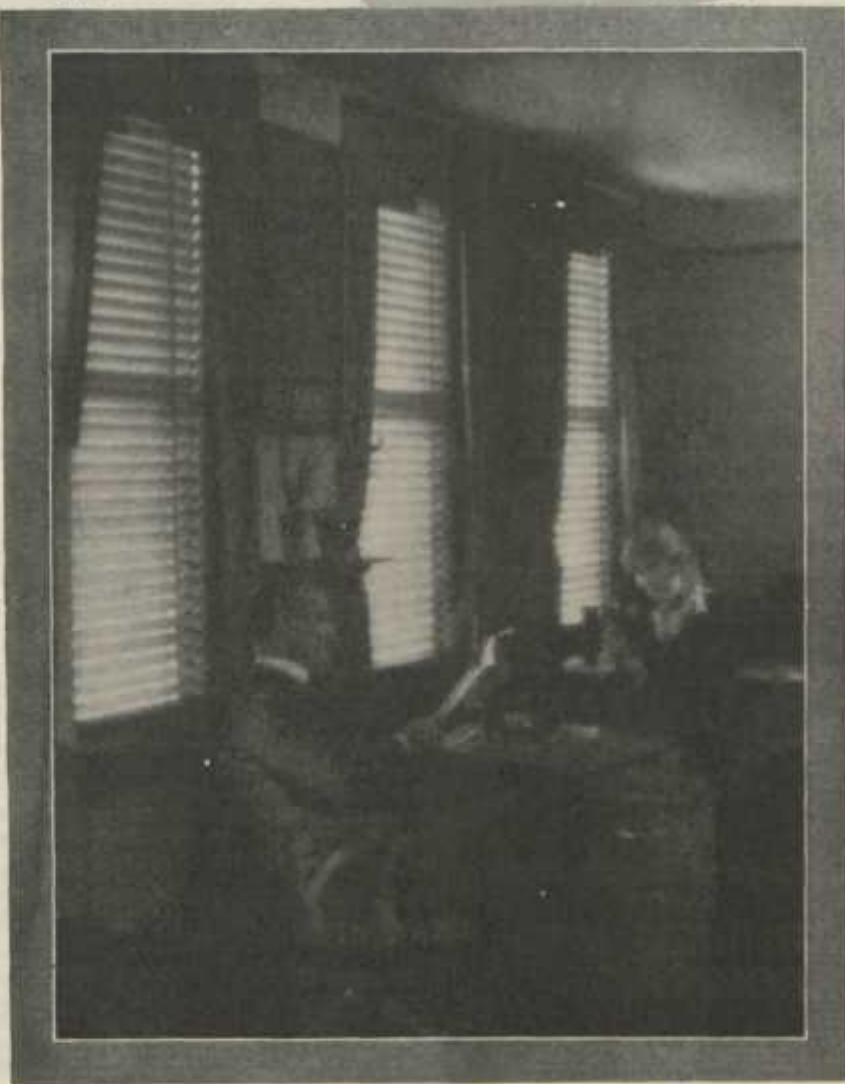
A window is nothing more than a mere opening in a wall. Unshaded, it admits direct sunlight . . . glare! Shaded, light is excluded . . . gloom! So, to serve completely its intended purpose, a window requires equipment which by controlling daylight will transform it into a unit of illumination.

. . . And this modern window equipment, *Western Venetian Blinds*, effects such a transformation. By scientific control of light rays, the intensity and distribution of daylight is regulated. By utilizing the total window area for illumination, no portion of the window is darkened or wasted. By reflecting and diffusing all direct light rays, glare is eliminated and bright sunlight changed to soft, subdued daylight. No other window equipment performs such a remarkable service; no other window equipment will change each window into a lighting unit of indirect daylight.

. . . Such perfect control of daylight brings new comfort to the office in uniform light and more pleasant, restful environment. Furthermore, the beneficial effect of such environment actually results in increased efficiency of employees, as thousands of business executives have discovered.

... Mail coupon for copy of new book which shows the many advantages and true economy of the service, "Daylight Control Plus Ventilation," rendered by *Western Venetian Blinds*.

National Chamber of Commerce, Washington, D. C.  
Architect: Cass Gilbert, New York City  
Equipped with *Western Venetian Blinds*



## Western Venetian Blinds

MORE LIGHT~MORE AIR~LESS GLARE

WESTERN VENETIAN BLIND COMPANY

Factory and General Office: LOS ANGELES, CALIFORNIA

NEW YORK CHICAGO KANSAS CITY SAN FRANCISCO NEW ORLEANS  
ATLANTA BIRMINGHAM PORTLAND, ORE SEATTLE ST. PETERSBURG, FLA.  
TEXAS AGENTS: Two Republic Sales Service, Houston, San Antonio, Dallas

Western Venetian Blind Company  
Dept. N-3, Hearst Square Building, Chicago, Ill.

Please send me without obligation, a copy of your new book, "Daylight Control plus Ventilation."

Name .....

Business Firm .....

Address .....

City .....

State .....





**NO INVESTOR  
EVER LOST A  
DOLLAR IN  
MILLER BONDS**

**SPECULATION** has its thrills—and its possible gains. But can you afford it? Put 25% of your funds into Miller First Mortgage Real Estate Bonds—safe and paying interest up to 7%. With this certain income provided, speculate if you want to. Mail the coupon today for descriptive booklet 27-MK.

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30 East 42nd Street, New York City  
Please send me a free copy of "Creating  
Good Investments."

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**C. M. GARLAND  
& Co.**

Consulting and Construction  
**ENGINEERS AND  
ARCHITECTS**

Complete Industrial and Power Installations Located, Designed,  
Constructed, Operated

**SAFEGUARD  
YOUR  
INVESTMENTS**

BY OUR REPORTS  
on the Commercial Merits of Industrial and Power Projects,  
Inventions and Processes

1st Nat'l Bk. Bldg. CHICAGO

takes that company's operations as a text. A tribute to the success of the methods here described is contained in this sentence from President Coonley's 1924 annual report:

"Had it not been for our method of budgetary control, which made it possible to forecast both the decline and increase in orders in all probability no profit for the year would have been realized."

The small size of these excellent little volumes of the "Ronograph Library" makes them convenient to carry, but sometimes forces a reduction of the charts and tables to a size that is hard to read.

**Shipping Containers**, by Bronson L. Huestis. The Ronald Press Company, New York, 1925.

A convenient handbook of packing and shipping methods.

**Hides and Skins**, by John R. Arnold. A. W. Shaw Company, Chicago and New York, 1925.

The first of a series on the raw material markets of the world under the general direction of J. Anton de Haas, Professor of Foreign Trade at New York University. The author is executive secretary of the National Association of Importers of Hides and Skins. To the lay reader the most interesting is the section devoted to the many types of leather which reach our market, and their varied uses: pigskin for footballs and saddles; deerskin for gloves; wallaby skins for sporting shoes; walrus hides for buffing wheels; the list is long and curious.

**Elements of Business Finance**, by Joseph Howard Bonneville, Prentice-Hall, Inc., New York, 1925.

Built like a textbook, with questions and problems supplementing each chapter, but written with an eye also on the business-man reader. The author is Assistant Professor of Finance at New York University.

**Florida Real Estate Practice and Law**, by Philip A. Benson and Nelson L. North, Jr. Prentice-Hall, Inc., New York, 1925.

A specialized book for an industry that has grown out of all understanding. Novel, or at least unusual, among book publications, in that it carries advertising of real estate dealers, chambers of commerce and others interested in the growth of Florida.

**Fundamentals of Investment**, edited by Samuel O. Rice. A. W. Shaw Company, Chicago, 1925.

Nineteen chapters by nineteen bankers originally planned as lectures by the Investment Bankers' Association for the United Y. M. C. A. schools. The chapter on "Building an Investment Account" is full of good sense and good advice for the thrifty.

**Psychology in Business Relations**, by A. J. Snow. A. W. Shaw and Company, Chicago, 1925.

**Psychology of Selling and Advertising**, by Edward K. Strong, Jr. McGraw-Hill Book Co., Inc., New York, 1925.

**Business Power Through Psychology**, by Edward James Swift. Charles Scribner's Sons, New York, 1925.

Three college professors of psychology have each contributed a book on psychology to the man in business.

Prof. A. J. Snow, of the Department of Psychology of Northwestern University, undertakes in his "Psychology in Business Relations" to show how psychology enters into every business activity. Beginning with a study of the fundamental nature of man, Professor Snow outlines the psychology of the consumer and shows the significant part that psychology

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The extra equipment that is provided for your comfort is only a part, though, of the extra value which you get in one of these houses. We place much emphasis on the service—so much, indeed, that we promise

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lieve that the traveler who wakes in a Statler Hotel has an advantage over the other traveler who wasn't quite so thoughtful of comfort—or of values. It is especially wise to plan your week so that you may be in a Statler over Sunday; you're sure of a comfortable week-end.

*Emory*

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Rates are from \$3 in Cleveland, Detroit and St. Louis; from \$3.50 in Buffalo, and from \$4 in New York. For two people, these rooms are \$4.50 in Cleveland and St. Louis; \$5.00 in Detroit; \$5.50 in

Buffalo, and \$6.00 in New York. Twin-bed rooms (for two) are from \$5.50 in Cleveland, Detroit and St. Louis; from 6.50 in Buffalo, and from \$7.00 in New York.

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EVERY room in these hotels, whatever its price, has private bath, circulating ice-water, bed-head reading lamp, and other unusual conveniences. A morning paper is delivered free to every guest room. Each hotel has a cafeteria or a lunch-counter, or both, besides its regular dining rooms. All articles at news stands are sold at street-store prices.

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*For information concerning Associated facilities and securities, write to its subsidiary*

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## Government Aids to Business

Reports of government tests, investigations and researches included in this department are available (for purchase or free distribution) only when a definite statement to that effect is made. When publications are obtainable, the title or serial number, the source, and the purchase price are included in the item.

**TWO MORE MOTION PICTURE** films, "Through Oil Lands of Europe," and "The Story of Dynamite," have been added to the industrial films distributed by the Bureau

**Two New Films of Mines, Department of Commerce.** The picture of the oil industry abroad is presented in three parts of three reels each, portraying

ing in the first part the operations in Germany, France, Spain, Morocco, and Algeria; in the second part, operations in Italy, Hungary, along the Danube, and in Roumania; and in the third part, operations in Polish and Egyptian fields. There are also many scenes showing the life and customs of the inhabitants of the several countries.

The film telling the story of dynamite visualizes modern methods of manufacturing high explosives, and illustrates the importance of dynamite in mining, in agriculture, and in industrial enterprises.

Copies of these films are obtainable free of charge for exhibition by schools, churches, clubs, civic groups, and similar organizations on application to the Bureau of Mines, 4800 Forbes Street, Pittsburgh, Pa.

**PRACTICAL INFORMATION** on the action of erasers has been obtained by the Bureau of Standards in attempting to determine the comparative erasing properties

**Pencil Erasers and Ink Erasers Are Compared** of different types of pencil erasers and ink erasers. In reporting the tests the Bureau says that three types of paper were used:

a high grade ledger paper, and two lower grades of paper commonly used for pencil papers, one a soft absorbent paper and the other a hard paper with a glazed surface.

In making the actual erasing tests it was obvious that all the papers did not behave in the same manner under the action of the eraser, and also that the best eraser for one purpose was not necessarily the best for another type of paper. Although a person when erasing naturally governs the pressure exerted on the eraser and the speed with which the eraser is moved over the paper by the results obtained, so that almost any eraser can be used, the Bureau says, "It was obvious that for the poorer grades of paper the soft type of eraser is far superior to the hard one. On a high grade, firm paper the hard eraser is to be preferred, as it works faster and can be held to a sharper bevel than a soft one."

Of the several types of erasers made by most manufacturers, the Bureau believes that the superiority of one type over another for different kinds of work is not generally understood.

**EXPERIMENTS AT THE Bureau of Standards** have indicated, the Bureau reports, that relatively any water-soluble salt, when allowed to

**Decay of Stone by Wedging of Crystallization** penetrate stone and crystallize within the pores, causes a wedging action capable of disrupting the strongest materials. The crumbling and "spalling"

of masonry where exposed to the weather is usually attributed to the action of frost, the Bureau comments, but it has found a similar decay inside buildings and in warm climates where freezing seldom occurs.

A study of the conditions affecting several cases of the kind has been made by the Bureau, with the conclusion that the decay is sometimes



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caused by a crystallizing of water-soluble matter which is carried into the stone by means of water as it slowly trickles through the pores of the stone.

Virtually all types of stone, as well as brick and concrete, contain small amounts of soluble matter which can be leached out by water, the Bureau explains. When this matter is concentrated at the surface, it frequently manifests itself as a growth of white crystals and is termed efflorescence. Crystals forming within the materials exert a strong wedging action, which often results in "spalling" the surface, and conditions frequently arise which submit building materials of this type to such action, the Bureau concludes.

THROUGH COOPERATIVE RESEARCH fellowships maintained at the Bureau of Standards by the Weinstein Laboratories, of New York, considerable progress has been

#### Why Defects Are Found in Gold Dental Alloys

made in determining the causes of defects in alloy golds when cast for dental restorations. Some of the defects are traceable to the manipulative procedure used by dentists, the Bureau reports. Restorations are usually made by the substitution process, the Bureau explains, restoring the lost portion of a tooth with gold alloy cast from a wax pattern, which has been molded or carved.

Causes of defects, as outlined by the Bureau, include: Improper adaption of the wax to the cavity; distortions of the wax during or after removal from the cavity; and defects in the material which supports the wax pattern, forming the crucible into which the molten gold is forced.

The Bureau expects that the defects indicated will be eliminated through the research now in progress, appraising its importance with saying that "the value of such work is evident to any one seeking good dental work."

A 30-PAGE REPORT on "Recommended Practice for Arrangement of Building Codes," prepared by the Building Code Committee of

#### Recommendations for Arranging Building Codes

the Department of Commerce, has been published by the Department of Commerce. The report presents a recommended outline for writing a building code, arranged by chapters, sections and subdivisions in the order in which reference is necessary to code provisions when a building is planned, designed and erected.

Included also is a brief discussion of the present diversity of building code arrangement, and its influence on ease of administration and use. The need for greater uniformity of arrangement is explained, and the method advocated by the committee is contrasted with others. In the appendix is a consideration of the relation of code requirements to the police power, and legal advice on code requirements.

The report is obtainable from the Superintendent of Documents, Government Printing Office, Washington, D. C., at 10 cents a copy.

A STATISTICAL DISCUSSION of "tops" and yarns of wool or hair is presented by the Tariff Commission in one of the series of surveys of the articles included in the tariff act of 1922. The articles considered in this report are named in paragraphs 1106 and 1107 of the act of 1922, and because of the industrial relationship of the articles, the two paragraphs have been combined for the purpose of the survey. Supplementing the text are 44 tables, 2 charts, 3 illustrations, and an appendix on wages and hours, activity of woolen and worsted spindles, yarn numbering and yardage to the pound.

#### Tops and Yarns of Wool or Hair in Tariff Series

Copies of the report are obtainable from the Superintendent of Documents, Government Printing Office, Washington, D. C., at 10 cents a copy.



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### BRANCH OFFICE SPACE IN ROCHESTER

Executives planning the opening of a branch office in Rochester should consider the new, fireproof Temple Building, recently opened. Fourteen stories, five fast elevators, 24-hour service. In the heart of the retail district. Rentals unusually low. Write for literature.

C. W. CAMPBELL, Business Manager  
401 Temple Building, Rochester, N. Y.

## Averting a Future Meat Shortage

"IT IS a fundamental principle that whenever it is impractical or impossible to import food, a nation is driven steadily toward vegetarianism as its population increases. The extent of meat eating in a country that has as many people as it can feed is therefore measured by two things—the number of pigs, chickens, or similar animals that can be fed on slops and offal, and the number of animals that can be produced on lands which for some reason (cold, droughts, etc.) are unsuitable for farming."

This is the principle that Vilhjalmur Stefansson used as a premise in an article in the *Forum*, when he contends that the "friendly Arctic" is a possible source for much of the world's future meat supply. Along with others, Mr. Stefansson is interested in the distant future and the possible means of preventing the world starvation predicted by Malthus, who claimed that population increased in geometric proportion, while food supply only went forward by arithmetic steps.

### Arctic Meat Possibilities

MR. STEFANSSON holds a brief for the "frozen lands" above the circle, and more particularly for the musk-ox (so called) or ovibos. The steps in his reasoning are, briefly, as follows:

The Arctic lands must be reckoned with by the world in its future problems of feeding itself. Desert lands unfit for grain raising are also unfit for animal raising. Lack of water is one reason. He points out that it is wasteful to raise animals on land which could produce vegetables or grain, "for several men could have lived on the potatoes that might have been raised on the clover land that produced only the equivalent of one man's diet in beef and milk." The animal which can live most successfully and most easily in the north is not the reindeer, but the misnamed musk-ox, the writer says. He uses statistics to prove that not enough reindeer could be maintained to meet the shortage in meat when all the arable grasslands of the various tropical and subtropical countries are turned into the production of cereals, fruits and vegetables. The ovibos secures the nomination, then, for various reasons. Its steaks are of the same taste, texture and color as beef, we are told. Also, it holds interest for man on its outer side, for, like the sheep, it raises wool of a sort which at least has possibilities. Its name comes from Latin, meaning a sheep-cow.

The writer next uses tremendous figures to work out the population and possible meat production for one hundred years from now and for two hundred years. The ovibos is to be the biggest contributor in pounds produced, and the reindeer next. Cow meat may sometime be a sort of by-product of dairies, available in limited quantities, or as a sort of hothouse product, as winter strawberries are now.

Mr. Stefansson concludes: "In 2125 will the meat eaters bless the vegetarians, of whom there should by that time be a goodly number, considering the efficacy of their present propaganda. In that propaganda lies our only hope that any meat-desiring great-grandchildren of ours will be able to get their fill of meat whenever they are willing or able to pay for it. Whatever they will get will come chiefly from the lands that are too dry or too cold for wheat."



# Under *two* out of every *three* roofs

**S**UPPOSE that every Tribune family in The Chicago Territory lived under a red roof. Imagine yourself on an airplane ride, starting from Chicago, and passing out over the cities and villages of Illinois, Indiana, Iowa, Michigan, and Wisconsin.

You would see a mass of red roofs. In 1151 towns in The Chicago Territory you would find two out of every three roofs painted red. Sixty-five per cent of the families read The Sunday Tribune, and in not one of these towns does The Tribune reach less than 20% of the families. Zooming out over Chicago's suburbs, a solid stretch of red roofs, almost unbroken, greets the eye. And on to the outer suburban circle—Aurora, Elgin, Joliet—from two-thirds to three-fourths of all the homes receive The Chicago Sunday Tribune.

More red roofs beyond! Galesburg, nine out of ten; Mattoon, Rockford, Lincoln, Kewanee, more than half; Moline, Monmouth, Pontiac, Princeton, two out of every three. In Indiana, Elkhart, LaPorte, Goshen, from one-half to two-thirds. Seven out of ten in Benton Harbor and St. Joseph, Mich.; Escanaba, two out of every three; Iron Mountain, four out of five.

And so on, in Wisconsin, with Beloit, Madison, Janesville, Neenah; and in Iowa—Ottumwa, Muscatine, Keokuk, Clinton, Cedar Rapids—prosperous and populous cities where at least every other family reads The Tribune.

Having visualized this vast array of red roofs—of Tribune homes—consider the infinite



possibilities for sales among Chicago Tribune readers. There is an ever-changing, renewing investment of billions of dollars among the readers of one newspaper—in a rich territory confined to the limits of five adjoining states.

Take a glimpse, for instance, of a few separate rooms in these Tribune homes. Listed below are only some of the commodities for which every household-er is a prospective purchaser.

## THE KITCHEN

Stove  
Ice box  
Kitchen cabinet  
Tables  
Chairs

Linoleum  
Electrical cooking devices  
Food products  
Aluminum ware  
Electric dish washers

Soaps  
Cleaners  
Brushes  
Mineral water  
China

## THE LIVING ROOM

Furniture  
Rugs  
Piano  
Radiators  
Lamps

Light fixtures  
Radio  
Pictures  
Vases  
Clocks

Antiques  
Drapes  
Window shades  
Books  
Hearth accessories

## THE BEDROOM

Furniture  
Mirrors  
Linen  
Bed spreads  
Comforters

Blankets  
Mattresses  
Springs  
Perfumes  
Powder

Jewelry  
Toilet goods  
Cold creams  
Clothes

## BATH ROOM

Bath room fixtures  
Soaps  
Shaving creams

Razors  
Tooth brushes  
Bath rugs

Towels  
Medicine cabinets  
Medicines

## BASEMENT AND LAUNDRY

Oil burner  
Furnace  
Hot water heater

Electric washer  
Electric ironer

Electric iron  
Driers

What advertiser has exhausted this market or covered the 1,100,000 homes where The Tribune is read? Only a partial list of the everyday commodities used in a few of the rooms under these million red roofs is indicated—just enough to suggest the limitless possibilities in a proper use of Tribune space.

Why seek further fields or more difficult markets when one newspaper reaches more than a million prosperous families in this territory?

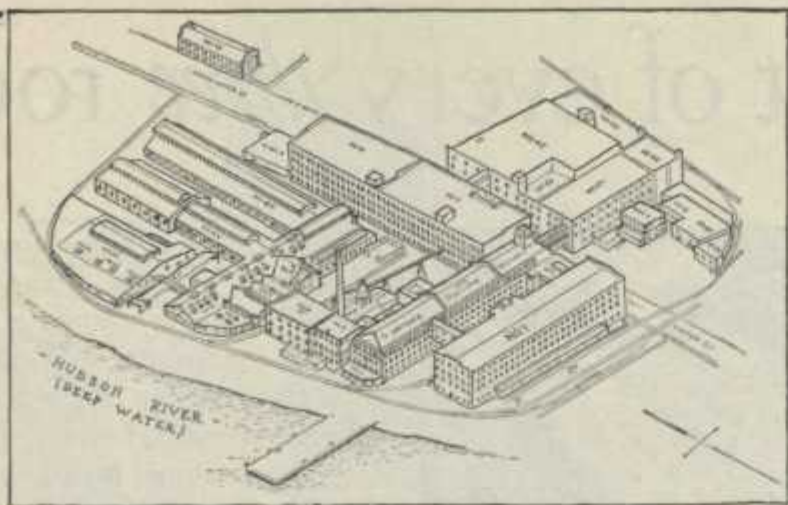
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**A STRONG COMPANY**  
*Over Sixty Years in Business.  
Liberal as to Contract, Safe  
and Secure in Every Way*



ONE OF the big oil companies with gasoline filling stations in various cities has discovered that it can sell more gas on the right-hand side of a leading highway as you go from the city. In most places, if filling stations are on opposite sides of a street, the one on the right-hand outgoing side may be expected to do perhaps twice as much business as the other. So I am assured by the manager of a chain of these stations.

The reason is simple. Automobile owners naturally do most of their driving in early forenoon and later afternoon. They would buy gasoline either on the way to their places of business or on the return trip homeward. But they don't stop to buy in the morning because they're in too big a hurry. Most people oversleep, have to eat a hasty breakfast and proceed as rapidly as possible to their offices, arriving just in the nick of time. Not having bought gasoline in the morning, and knowing that they may be driving after dinner, they stop to buy on the way home. Of course they prefer a station on the same side of the street.

Because of this human habit of putting things off, and not buying in the morning what can be delayed until afternoon, more gasoline is sold between 4:30 and 6 p. m. than during all the rest of the day.

IN ADDITION to being on the favorable side of the street, an ideal site for a gasoline station is just where business leaves off and dwellings begin. The advantage of being near houses and apartments is that regular customers are more important than transients. People who live in the neighborhood and buy gasoline regularly at the same place, just as they have favorite grocers or butchers, bring joy to the filling stations.

I HAVE just begun to realize how shrewdly this gasoline and oil business is conducted. The men in charge of the various filling stations for one successful company are put through a course of training, exactly as any other sales force might be. Their training is not unlike that of chain store cigar salesmen, as they are especially drilled in the item of courtesy.

ONE THING I have noticed that the gasoline attendants regularly do—purposely, I presume—is to talk to a wife rather than to her husband, if both are in a car. He asks the wife how much gas or oil is needed—just as if she rather than her husband would pay for it. I inquired of one attendant about this, and he shrewdly said:

"If you talk to a woman and more or less ignore her husband, he won't get very mad about it, or if he does, she can quickly



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## the printing MULTIGRAPH

### The Printing Multigraph

A high-speed rotary printing-press, power-driven. Equipment complete with typesetter (not shown) occupies only about 4 x 8 feet. Feeds automatically. Feeder holds 5,000 to 6,000 sheets ordinary stock, any size from 3 x 3 to 11 x 14. Will take folded stock cards, envelopes, etc. Machine prints direct from type or electrotypes with printing ink—colors if you wish. Saves 25% to 75% on a great range of printed matter for business or advertising use. Can also be used for form-letter work.

Other Multigraph models to suit the needs of any business. Ask for demonstration.

The book, "Do Your Own Printing," will be found very helpful in answering any question that may occur to you in regard to operating, supplies, service, application to your business, etc. A copy will be mailed to you immediately upon receipt of your request. Merely fill out and mail the coupon at the right.



The **printing MULTIGRAPH** enabled the Amos-James Grocer Company, of St. Louis, Mo., to print for \$6,000.00 a year, a catalogue which formerly cost \$10,000 a year. In addition, it saves another \$1,000.00 on some of the company's printed forms.

The **printing MULTIGRAPH** makes large savings for many banks; among them the Federal Land Bank of Columbia, S. C. The equipment saves them \$3,000.00 a year and they state that all forms, letterheads, and circulars so produced have been "entirely satisfactory, highly commended, and approved by the head of each department." Many banks use not one but several Multigraphs. A large bank in New York, for example, figures its savings on printing at several thousands of dollars a month. A large use here, and in many other banks, is the imprinting of check books with customers' names.

The **printing MULTIGRAPH** gets out 6,000 clip sheets weekly for the National Highways Association, in Washington, D. C. They say they save \$28.00 a week on these sheets, in addition to the saving on office forms, tags, etc.

The **printing MULTIGRAPH** used by Standard Underground Cable Company, Perth Amboy, N. J., ran nine months, eight hours a day, six days in the week, without an adjustment. It made 11,232,000 impressions on tape. They used to perforate this tape and spend a day making a new die whenever type changes were necessary.

The **printing MULTIGRAPH** serves many municipalities. In Dayton, Ohio, it does "as much of the city's printing as possible." The City Stores Department reports about half of the work as handled by the Multigraph and they saved \$1,336.08. Up in Milwaukee the Multigraph prints election ballots. On a certain run they saved \$760.00 over the lowest outside bid.

The **printing MULTIGRAPH** handles an interesting job for a Canadian candy manufacturer, printing two-color tin-foil wrappers at a large saving, and avoiding a big scrap loss formerly incurred by necessity of running large quantities.

The **printing MULTIGRAPH** prints statements, let-terheads, billheads, labels, and other items at an average saving of 40% over outside prices for J. S. Merrell Drug Company, St. Louis, Mo. On labels they sometimes save a much higher percentage.

The **printing MULTIGRAPH** in six months printed over a million and a half pieces for A. H. Flory Company, who operate forty-four stores in and around Canton, Ohio.

The **printing MULTIGRAPH** is used by the Newton Laboratories, Inc., New York City. They print testimonial sheets for 95c a thousand—lowest printer's price \$1.30. P. Newton, M.D. President, says: "Considering that these sheets and letters, printed on both sides, are sent out by the million, it is not difficult to show a large saving."

The **printing MULTIGRAPH** saved approximately \$400.00 for Workman Walk-over Boot Shops, Syracuse, N. Y., on 200,000 letterheads, 100,000 envelopes, and 100,000 forms.

MAIL WITH YOUR LETTERHEAD TO  
The American Multigraph Sales Co.  
1806 E. 40th St., Cleveland, Ohio  
(Place check mark in square)

1. ☐ Send me the book, "Do Your Own Printing."
2. ☐ Notify your nearest office to arrange for demonstration of your Printing-Multigraph on my work.

Name.....  
Address.....  
My Business is.....



# THE TORO

## —for Golf Course and Estate Maintenance

**The TORO "Park Special"**—A small correctly designed power mowing machine, for use on large lawns, country homes and city parks. Simple to operate, with no complicated parts to break or get out of order. Will cut more grass than seven men using hand lawn mowers. Cutting capacity five to seven acres per day, using one and one-half gallons of fuel.

### **The TORO Putting Green Mower**—

Used on majority of the largest and nationally known country clubs. Eliminates corrugations and ridges in the grass on putting greens after cutting. Acknowledged to be America's finest greensmower.

**The TORO Golf Machine**—Widely used on golf courses and large estates where considerable area of grass is to be cut. Carries the mowing units out in front in plain view of operator at all times. A thoroughly efficient and economical machine.

Illustrated catalogue, showing complete line of maintenance equipment, will be sent on request.

### **The TORO Mfg. Company**

3042-3146 Snelling Ave. Minneapolis, Minn.

Agencies and service stations conveniently available in the following distribution centers

Boston	New York	Philadelphia
Jacksonville	Cleveland	Chicago
Detroit	Des Moines	Kansas City
Los Angeles	San Francisco	
Toronto	Winnipeg	

Ask the Greens-keeper at your Club what he thinks of TORO Equipment.



THE TORO PARK SPECIAL



THE TORO PUTTING GREEN MOWER



THE TORO POWER MOWING OUTFIT

pacify him—because she is pleased over such courtesy to herself. But if you direct your conversation to the husband, and ignore the wife, nothing can ever overcome her indignation and she may never come again. She may even exact a promise from him that he won't come again."

I HAVE also been talking about human habits with a friend who is manager of one of the most successful chains of retail drug stores in the United States.

"We were about to start a new store in a certain location," this drug-store man told me, "but gave up the idea because the street is too wide, and at the point we had in mind there is no policeman to regulate traffic. The result would be that we wouldn't get much business from people who naturally walk on the other side of the street. They wouldn't even notice our store from across so wide a street, and even if they did they wouldn't walk over, because the danger seems too great. In these days of perilous automobile traffic, people like to cross a street with the crowd, when the policeman gives the signal. This is a strong human trait. How often have you ever seen anybody walk right across a big hall. We are always more likely to walk around the edge of the open floor space, sticking to where the crowd is."

I HAVE always assumed that a corner is a better place for a drug store than the middle of a block, but I'm not sure that I realized one simple important reason which my druggist friend pointed out. It is that a corner is plainly to be seen from three other corners. Even a storeroom next door is not nearly so noticeable because the corner location has display windows on two streets instead of one.

I WAS curious to know which of four corners on an important street with a car line is most desirable. Aside from the effect of the sunny and shady side of the street, the best corner, my informant says, is the one in front of which cars stop going from business to the residence section. In some cities, cars stop after crossing the street, but in most places before crossing. If the car stops in front of a drug store, a valuable percentage of men will notice the store and recall something they have been asked to bring home. Women will recall needing facial creams or what not. A store across the street might not be such an emphatic reminder.

NO MATTER how wealthy a neighborhood a drug store is in, owners find that they cannot make it pay unless there is a considerable pedestrian traffic during most of the day. In other words, an important part of the trade must be from persons who had no intention of buying anything but just happened along.

SOME years ago one conceited man nearly ruined a great railroad. When he became president of the road, he took on grand manners and was not readily to be seen except by appointment. He was always so certain that he was right on every question that he wouldn't listen to anybody else. If an employee had a grievance, this man swept aside the complaint with a wave of the hand. Before long, the employees became so disgruntled that they were churlish toward passengers and created a vast amount of ill will. Moreover, the road began to have more than its share of wrecks—which

## PATENTS

TRADE MARKS · DESIGNS  
FOREIGN PATENTS

## MUNN & Co.

PATENT ATTORNEYS

Associated since 1860 with the Scientific American  
602 Woolworth Building, New York City  
528 Scientific American Bldg., Washington, D.C.  
417 Tower Building, Chicago, Ill.  
370 Hobart Building, San Francisco, Cal.  
225 Van Nuys Building, Los Angeles, Cal.  
Books and Information on Patents and Trade Marks  
by Request.

## Pay less, get more from envelopes!

CUPPLES saves you money—knows which envelope will best fill your need, and knows how to make it cheaper. Write for the new booklet "Envelopes as Advertising Mediums." It tells all about envelopes and describes Cupples' side-seam envelopes, the ones that are handled easier, addressed faster and cost less.



The booklet is  
FREE

Samuel Cupples Envelope Co.

628 S. Sixth St., St. Louis  
7-9-11 Laight St., New York



+

A Business Man once looked at his lithographer belligerently. "Why do you come in here and recommend Crane's Bond when you know that we pay only one dollar and forty cents a thousand for our letterheads?"

The lithographer said that the Business Man had reached the place where his stationery should reflect his station. He said that Crane's Bond was a paper good enough to represent the business in the minds of those who would see in it a sort of symbol of the business. As such a builder of good will and good impressions, as such a salesman (continued the lithographer stoutly), Crane's Bond should rightfully be taken out of the classification of office expense and put in the advertising and selling budget.

By sticking to his guns the lithographer won his point, and the letterheads of the Business Man became known as the best in his industry. As such, his stationery became a very inexpensive form of advertising, and the Man of Affairs rightly so regarded it.



*Good stationery is made out of rags—all rags. The better the rags the better the paper. Crane's Bond is made out of all new white rags, by people who have made the finest writing papers for 125 years, by people whose whole-hearted desire to make the finest paper has given the name "Crane" the high esteem of large corporations, financial institutions, and twenty-two governments.*

CRANE & COMPANY, INC. DALTON, MASSACHUSETTS





## Wrapped and insured in one operation

THE efficiency of North America Parcel Post Insurance is especially appreciated by those who make parcel post shipments daily. It places dependable, economical insurance on every package at a marked saving in time and labor. A coupon from a North America Coupon Book insures each package at the wrapping desk. Ask your insurance agent or broker, or send the coupon below for complete information.

### Insurance Company of North America PHILADELPHIA

"The Oldest American Fire and  
Marine Insurance Company"

Founded  
1792

Insurance Company of North America  
Sixteenth Street at the Parkway  
Philadelphia, Pa., Dept. N-3

Name .....

Street .....

City .....

State .....

Wants information on Parcel Post Insurance

## When You're Asked to Speak on a business subject—

THEN is when it is sometimes hard to get together quickly a lively picture of the facts. It is almost a certainty that NATION'S BUSINESS has in the past year discussed the subject not once, but many times.

All of the past year's NATION'S BUSINESS articles and comments with their page references are listed in the 1925 NATION'S BUSINESS INDEX, just published. One copy will be sent to you free, if you ask for it.

CHAMBER OF COMMERCE OF THE UNITED STATES  
WASHINGTON

almost invariably happens when employees are dissatisfied and not constantly on the job. Passengers and shippers began to shun the road, and its revenues fell off. The conceited man who was at the head of it died just in time to save it from bankruptcy.

I HAVE often wondered why I never can find candy at a hotel counter made in the same town where it is sold. Now a candy manufacturer gives me this theory:

"Guests at a hotel like to buy candy they have seen elsewhere. Naturally not many of the guests live in the same town where the hotel is and are not familiar with candy having mainly a local reputation. Candy from any city at all outside that one is more likely to be known to the hotel's guests."

I TALKED recently with a famous business adviser who has made a fortune through his ability to win friendships. He can go into a big organization and institute new ideas without making everybody dislike him. I asked him how he accounted for his knack at gaining friends.

"For one thing," he replied, "I make it a point never to ask a man a question about his business that I don't think he can answer. Nothing makes a man so mad—and consequently so likely to hate you—as to ask him something which places him in the embarrassing position of confessing how little he knows on a subject of which he ought to know much."

I FREQUENTLY strike a hotel managed or owned by a man whom I once knew as a head waiter. But much less often does one see a room clerk rise to the head of a hotel. It does seem as if a man's chances to get ahead in certain lines of business are in proportion to how rotten a job he is willing to take at the beginning.

ONE DRUG store located in a thickly populated, seemingly prosperous section has had such a small revenue that the owners investigated. In all directions were attractive small homes occupied by young married couples. Why weren't these couples ideal customers? The answer proved to be that they are paying for the homes they have bought and this leaves them short of money for small articles.

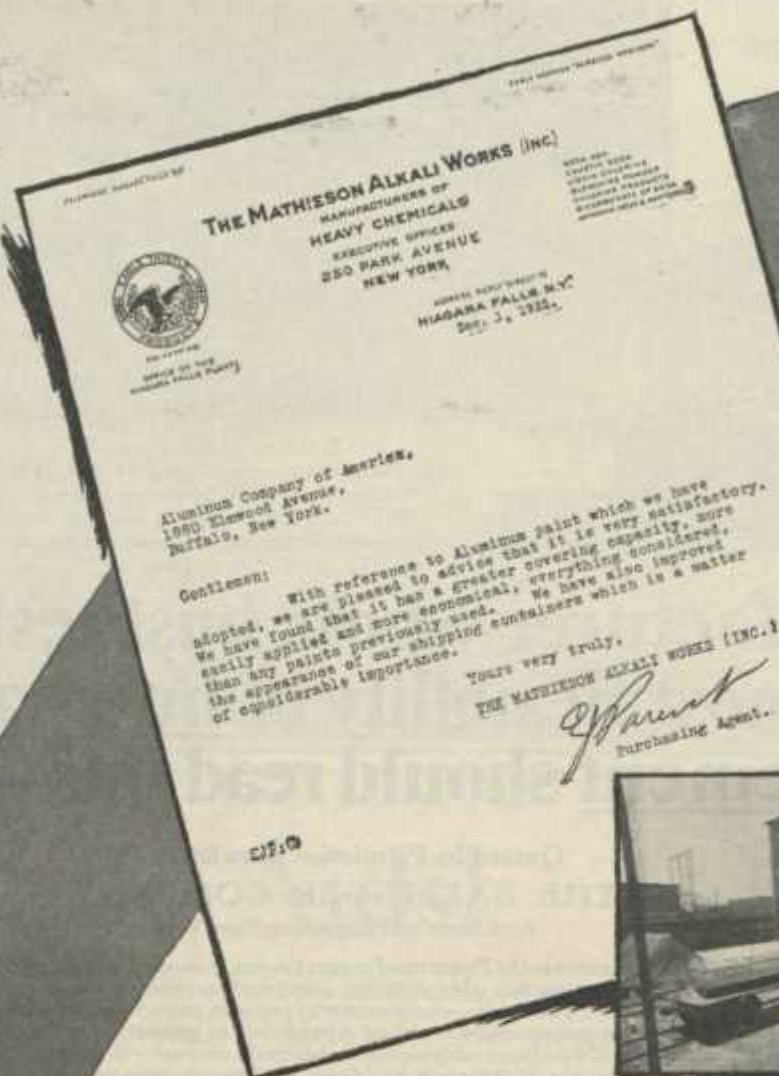
I ASKED the druggist what articles women are most certain to buy, even when they haven't much money.

"The wolf must be barking right at the door," he replied, "before a modern woman will do without a lipstick."



The Furnace, from a woodcut by Herbert Pullinger





THE high heat reflectivity of Aluminum Paint keeps temperature low and thus preserves the original character of chemicals shipped in their cars by the Mathieson Alkali Works of Niagara Falls, N. Y.

For surface protection Aluminum Paint is unusually efficient. Through "leafing"—a new principle—a coat of metal fortifies the surface against rust and weather.

Yet Aluminum Paint costs no more than ordinary paints.

Somewhere in your plant Aluminum Paint can do a difficult protection job better and cheaper—on a metal roof, a tank, structural work, fences, building trim.

And wherever it is used, Aluminum Paint beautifies as it protects. Its silver gray sheen improves industrial horizons.

Many uses of Aluminum Paint in industry are illustrated in our new booklet—"Aluminum Paint—A Step Ahead in Industrial Painting". Write for a copy today.

## Aluminum Paint

The Modern Paint for the Modern Plant

Aluminum Company of America

2425 Oliver Building

Pittsburgh, Pa.

Offices in Seventeen Principal American Cities



ALUMINUM IN EVERY COMMERCIAL FORM



*As the Patterson-Sargent Company says:*

"The choice of mill construction has proven wholly satisfactory. We feel that for our purpose it is superior to any other type of construction."



A Room in the Plant of  
The Patterson-Sargent Company, Long Island  
City, New York, Manufacturers of  
B. P. S. Paints, and B. V. S. Varnishes  
The Ballinger Company, Architects and Engineers

## Every Manufacturer whose business demands utmost flexibility of internal plant arrangement should read this —

### The Popularity of the Mill Construction Building Is Enhanced by the Ready Availability and Fine Structural Qualities of Douglas Fir

An increasing percentage of the big timbers and plank required for all general construction purposes are being supplied today in Douglas Fir from the Pacific Northwest.

From the fine structural qualities inherent in the species, scientific selection makes it possible to secure, on special order, where exceptionally heavy loadings demand it, a "select structural grade," the equal, if not the superior, of any structural wood on the market today.

Through the Weyerhaeuser distributing plants at Baltimore and Minnesota Transfer, Saint Paul, Douglas Fir in all standard grades and sizes can be laid down quickly and economically in every industrial section of the country.

Twenty-two percent of all the lumber produced in this country today is Douglas Fir.

### Quoted by Permission from letter of THE BALLINGER COMPANY Architects and Engineers, New York

"With reference to the Patterson-Sargent project, a marked advantage that mill construction has over masonry construction—the ease with which alterations can be made—was a matter of primary importance in the manufacture of paints and varnishes. Alterations or extensions of the plant equipment almost invariably involved changes in the rather elaborate system of pipes through which the material flows. Mill construction permits the perforation of the floors for new piping at practically any point at a small cost."

**B**USINESS men who know the importance of keeping down plant overhead are paying more and more attention to the adaptabilities and economies of heavy timber mill construction for factory and warehouse expansion.

It is the business of the architect and engineer to advise you whether Mill Construction is adaptable to your individual building requirements. Or, if you prefer, there is available the consultation of a Weyerhaeuser Expert Construction Engineer.

The advantages of "Mill Construction" and the structural quality of Douglas Fir are thoroughly covered in the Weyerhaeuser booklets "Industrial Buildings" and "Structural Timbers of Douglas Fir" and in "Technical Note No. 201" issued by the U.S. Forest Products Laboratory. These booklets will be sent on request to responsible members of industrial concerns.

## WEYERHAEUSER FOREST PRODUCTS SAINT PAUL • MINNESOTA



Producers for industry of pattern and flask lumber, factory grades for remanufacturing, lumber for boxing and crating, structural timbers for industrial building. And each of these items in the species and type of wood best suited for the purpose.

Also producers of Idaho Red Cedar poles for telephone and electric transmission lines.

Weyerhaeuser Forest Products are distributed through the established trade channels by the Weyerhaeuser Sales Company, Spokane, Washington, with branch offices at 208 So. La Salle St., Chicago; 229 Broadway, New York; Lexington Bldg., Baltimore; and 806 Plymouth Bldg., Minneapolis and with representatives throughout the country.







## It Aids!

The Shelby Salesbook Company improved its lighting with this result: that production of early morning and late afternoon hours was raised to full daytime level. "No difference now," they say, "between artificially lighted hours and brightest daylight."

Send coupon below for booklet, giving actual experience and telling how inexpensive lighting improvements can be made in your own plant.

If your annual cost of lamps is \$75 or more, you are entitled to a contract price that will substantially reduce your lamp bill.

Wherever lamps of 100 watts or less are used, we recommend the NEW, inside-frost MAZDA lamps—which cost less and give more.

### One Way to Light Your Factory



RLM STANDARD REFLECTOR



BOWL-ENAMELED MAZDA LAMP

Use 200-watt bowl-enameled MAZDA lamps in the RLM type metal reflector shown above. Space 10 feet apart.

Nela Park, through the 18 Sales Divisions of the National Lamp Works, and its 40,000 dealers, helps to market annually 175,000,000 MAZDA lamps, made in 26 factories.



# NATIONAL MAZDA LAMPS

MAIL THIS COUPON →

NATIONAL LAMP WORKS  
of General Electric Company  
Nela Park, Cleveland, Ohio

Please send me full details of the savings made by taking advantage of annual lamp contracts, also the booklet: "Cutting Factory Costs with Lighting".

Name.....

Street.....

City and State.....



# Where the work is heavy and the space is cramped they use Autocars



These Contractors' 3-ton Autocar Dump Trucks (Model HPD5) belong to George Bobek of Stockton, Cal. They are shown working on a job building a 12-mile branch line of the Southern Pacific Railroad. Autocars moved 160,000 yards of rock on this job.

**T**HE material you have to haul may not be measured by the thousands of cubic yards — yet the same sturdy Autocar construction that has made Autocar trucks the standard for road building will save you money.

Your trucking routes may not be through narrow cuts and deep, crowded excavations—however when your trucks are running in crowded traffic or delivering in narrow streets and alleys you too will find that Autocar short wheelbase saves minutes and dollars.

Whatever your business, one of these books will be of real value to you. We will gladly send you any of them on request:

"Autocar Trucks for Building Roads"

"Sturdy Autocar Trucks for Hauling Merchandise"

"Sturdy Autocar Dump Trucks and Those Who Use Them"

"Sturdy Autocar Trucks in Public Service"

## The Autocar Company, Ardmore, Pa.

ESTABLISHED 1897

Direct Factory "Autocar Sales and Service" Branches or Affiliated Representatives in

*Albany	*Buffalo	*Denver	*Los Angeles	*Orlando	*San Diego	*Tampa
*Allentown	*Camden	*Detroit	*Memphis	*Paterson	*San Francisco	*Trenton
*Altos	*Canton, O.	*Erie	*Miami	*Philadelphia	*San Jose	*Washington
*Atlanta	*Charlotte	*Fall River	*Newark	*Pittsburgh	*Schenectady	*West Palm Beach
*Atlantic City	*Chester	*Fresno	*New Bedford	*Providence	*Scranton	*Wheeling
*Baltimore	*Chicago	*Indianapolis	*New Haven	*Reading	*Shamokin	*Wilkes-Barre
*Binghamton	*Cleveland	*Jacksonville	*New York	*Richmond	*Springfield	*Williamsport
*Boston	*Columbus	*Jersey City	*Norfolk	*Rochester	*St. Louis	*Wilmington
*Bronx	*Dallas	*Lawrence	*Oakland	*Sacramento	*Stockton	*Worcester
*Brooklyn					*Syracuse	*York

\* Indicates Direct Factory Branch

# Autocar

gas and electric trucks

EITHER OR BOTH - AS YOUR WORK REQUIRES